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# Central Asia: Regional Developments and Implications for U.S. Interests

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## Summary

U.S. policy toward the Central Asian states has aimed at facilitating their cooperation with U.S. and NATO stabilization efforts in Afghanistan and their efforts to combat terrorism; proliferation; and trafficking in arms, drugs, and persons. Other U.S. objectives have included promoting free markets, democratization, human rights, energy development, and the forging of East-West and Central Asia-South Asia trade links. Successive Administrations have argued that such policies will help the states to become responsible members of the international community rather than to degenerate into xenophobic, extremist, and anti-Western regimes that contribute to wider regional conflict and instability. Soon after the terrorist attacks on the United States on September 11, 2001, all the Central Asian “front-line” states offered over-flight and other support for coalition anti-terrorism operations in Afghanistan. Kyrgyzstan, Tajikistan, and Uzbekistan hosted coalition troops and provided access to airbases. In 2003, Kazakhstan and Uzbekistan also endorsed coalition military action in Iraq. About two dozen Kazakhstani troops served in Iraq until late 2008. Uzbekistan rescinded U.S. basing rights to support operations in Afghanistan in 2005 after the United States criticized the reported killing of civilians in the town of Andijon. The Kyrgyz leadership has notified the United States that it will not extend the basing agreement. U.S. forces will exit the “Manas Transit Center” by mid-2014 and move operations to other locations. In recent years, most of the regional states also have participated in the Northern Distribution Network for the transport of U.S. and NATO supplies into and out of Afghanistan.

Policy makers have tailored U.S. policy in Central Asia to the varying characteristics of these states. U.S. interests in Kazakhstan have included securing and eliminating Soviet-era nuclear and biological weapons materials and facilities. U.S. energy firms have invested in oil and natural gas development in Kazakhstan and Turkmenistan, and successive administrations have backed diverse export routes to the West for these resources. U.S. policy toward Kyrgyzstan has long included support for its civil society. In Tajikistan, the United States focuses on developmental assistance to bolster the fragile economy and address high poverty rates. The United States and others have urged the regional states to cooperate in managing their water resources. U.S. relations with Uzbekistan—the most populous state in the heart of the region—were cool after 2005, but recently have improved. Congress has been at the forefront in advocating increased U.S. ties with Central Asia, and in providing backing for the region for the transit of U.S. and NATO equipment and supplies into and out of Afghanistan. Congress has pursued these goals through hearings and legislation on humanitarian, economic, and democratization assistance; security issues; and human rights.

During the 113<sup>th</sup> Congress, the Members may review assistance for bolstering regional border and customs controls and other safeguards, in order to prevent the proliferation of weapons of mass destruction (WMD), combat trafficking in persons and drugs, and counter terrorism. Other possible interests include encouraging regional integration with South Asia and Europe and fostering energy and other resource security. Support for these goals also has been viewed as contributing to U.S. and NATO stabilization and reconstruction efforts in Afghanistan. For several years, Congress has placed conditions on assistance to Kazakhstan and Uzbekistan because of concerns about human rights abuses and lagging democratization (the Secretary of State may waive such conditions). Congress will continue to consider how to balance these varied U.S. interests in the region as U.S. and NATO military operations wind down in Afghanistan.

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## Most Recent Developments

Visiting Uzbekistan on March 16-19, 2014, Deputy Assistant Secretary of State Fatema Sumar reportedly stressed that the United States wanted to deepen its cooperation with the country. She highlighted Uzbekistan's central role in the Administration's New Silk Road Vision for Central and South Asia, which includes fostering regional resource and energy markets, trade and transport infrastructure, and customs service and border protection (see below, "The New Silk Road Vision").

Kazakh officials have raised concerns about Russia's military actions in Ukraine and its annexation of the Crimea region. These concerns have been exacerbated by renewed calls in recent days by some Russian ultra-nationalists for annexing northern Kazakhstan, where many ethnic Russians reside. These developments could spur Kazakhstan to reassess its close ties to Russia, according to some observers.<sup>1</sup> On March 10, 2014, President Obama and Kazakhstan's President Nursultan Nazarbayev discussed developments in Ukraine during a telephone call. President Nazarbayev called for the crisis to be settled peacefully with Ukraine's territorial integrity maintained. He reportedly accepted Obama's request to assist in mediating the crisis. President Nazarbayev also had called German Chancellor Angela Merkel and Russian President Vladimir Putin to discuss developments in Ukraine. Nazarbayev's press spokesman stated that the president sympathized with Russia's view that Russian citizens and speakers should be safeguarded, but urged Putin to preserve Ukraine's sovereignty in line with international law. He also raised concerns (including in another call to Putin on March 3) that the crisis might impact economies belonging to the Customs Union (Russia, Kazakhstan, and Belarus) and ties within the Commonwealth of Independent States (Putin placed the blame on actions by the Ukrainian interim government). After President Putin issued a decree on March 17 recognizing Crimea's "independence" following its referendum vote, and ordered the legislature to approve annexation, the Kazakh Foreign Ministry issued a statement recognizing the referendum as a free expression of the people's will and indicating "understanding" of Russia's annexation decision.<sup>2</sup>

On March 11, 2014, the Kyrgyz Foreign Ministry issued a statement that since former Ukrainian President Viktor Yanukovich had lost the trust of his people and had fled Ukraine, he was no longer the legitimate president. The ministry called for the peaceful resolution of the crisis. After the Crimean referendum on March 16, the Kyrgyz Foreign Ministry stated that the vote represented the will of the people. At the same time, the ministry appeared cautious not to judge Russia's actions, urging "all sides to demonstrative maximum restraint and resolve all the disputed issues through peaceful talks."<sup>3</sup>

In early March 2014, President Nazarbayev called for the Defense Ministry to accelerate weapons acquisition and reform efforts, and ordered boosted military deployments in the south and west of the country to deal with rising threats, including those associated with possible instability in Afghanistan after U.S. and NATO forces are drawn down.

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<sup>1</sup> Marlene Laruelle and Sean Roberts, "Why Ukraine's Crisis Keeps Central Asian Leaders up at Night," *The Monkey Cage Blog, Washington Post*, March 7, 2014.

<sup>2</sup> *BBC Monitoring*, March 10, 2014; Open Source Center, *Central Eurasia: Daily Report* (hereafter *CEDR*), March 18, 2014, Doc. No. CEL-56291072; March 10, 2014, Doc. No. CEL-49462352; March 3, 2014, Doc. No. CEN-30561349; The Kremlin, President of Russia, March 3, 2014.

<sup>3</sup> *CEDR*, March 20, 2014, Doc. No. CEL-50392923.

In late February 2014, Russian Defense Minister Sergey Shoygu announced that additional helicopters and airborne troops had been deployed at Russia's Kant airbase in Kyrgyzstan.

In mid-February, the *Los Angeles Times* alleged that the U.S. government was exploring possible access to air bases in Central Asia for unmanned aerial vehicle missions in northwest Pakistan in case all U.S. forces are withdrawn from Afghanistan by the end of the year.<sup>4</sup>

On February 11, 2014, Kazakhstan effectively devalued its currency by about 20% compared to the U.S. dollar. Several protests occurred in Almaty and other cities and some runs on banks were reported. President Nursultan Nazarbayev argued that the devaluation was necessary to promote economic growth in 2014. Just three weeks previously, he had pledged to uphold the stability of the Kazakh economy in his state-of-the-nation address.

In early February 2014, Kyrgyz security personnel arrested six alleged terrorists in southern Kyrgyzstan, some of whom were said to have received combat experience in Syria. The group reportedly was active in recruiting Kyrgyz citizens to fight in Syria. The Kyrgyz National Security Committee reportedly stated that up to 50 Kyrgyz citizens were fighting in Syria. Later in the month, the agency announced the arrest of four more alleged terrorists, who were said to have received training abroad and were planning attacks in Kyrgyzstan. On March 12, 2014, a Kyrgyz official reported that Islamic extremist activities were increasing in southern Kyrgyzstan, and that Kyrgyz citizens who had returned from fighting in Syria were contributing to the problem.

Uzbekistan has praised language in Consolidated Appropriations for FY2014 (P.L. 113-76) that directs that international financial institutions be informed that it is U.S. policy to oppose assistance for building large hydroelectric dams. Uzbekistan views the language as opposing Kyrgyzstan's Kambar-Ata-1 and Tajikistan's Roghun hydroelectric dam projects.<sup>5</sup>

## Historical Background

Central Asia consists of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan; it borders Russia, China, the Middle East, and South Asia. The major peoples of all but Tajikistan speak Turkic languages (the Tajiks speak an Iranian language), and most are Sunni Muslims (some Tajiks are Shia Muslims). Most are closely related historically and culturally. By the late 19<sup>th</sup> century, Russian tsars had conquered the last independent khanates and nomadic lands of Central Asia. By the early 1920s, Soviet power had been imposed; by 1936, five "Soviet Socialist Republics" had been created in the region. Upon the collapse of the Soviet Union in December 1991, they gained independence.<sup>6</sup>

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<sup>4</sup> Ken Dilanian and David Cloud, "U.S. Seeks New Bases for Drones Targeting Al Qaeda in Pakistan," *Los Angeles Times*, February 16, 2014.

<sup>5</sup> CEDR, March 4, 2014, Doc. No. CEN-63727921.

<sup>6</sup> See CRS Report 97-1058, *Kazakhstan: Recent Developments and U.S. Interests*, by Jim Nichol; CRS Report 97-690, *Kyrgyzstan: Recent Developments and U.S. Interests*, by Jim Nichol; CRS Report 98-594, *Tajikistan: Recent Developments and U.S. Interests*, by Jim Nichol; CRS Report 97-1055, *Turkmenistan: Recent Developments and U.S. Interests*, by Jim Nichol, and CRS Report RS21238, *Uzbekistan: Recent Developments and U.S. Interests*, by Jim Nichol.

## Overview of U.S. Policy Concerns

After the collapse of the Soviet Union at the end of 1991, then-President George H. W. Bush sent the “FREEDOM Support Act” aid authorization to Congress, which was amended and signed into law in October 1992 (P.L. 102-511; aid provisions were included as Part I, Chapter 11 of the Foreign Assistance Act of 1961, P.L. 87-195). In 1999, congressional concerns led to passage of the “Silk Road Strategy Act” (P.L. 106-113), which authorized enhanced policy and aid to support conflict amelioration, humanitarian needs, economic development, transport and communications, border controls, democracy, and the creation of civil societies in the South Caucasus and Central Asia. Since FY2003, Congress has conditioned foreign assistance to Kazakhstan and Uzbekistan on their progress in respecting human rights (with national security waivers for Kazakhstan, and more recently, for Uzbekistan) (see below, “Congressional Conditions on Kazakh and Uzbek Aid”). Since FY2013, the Administration has included assistance to Central Asia under the authority of the Economic Support Fund (Part II, Chapter 4 of the Foreign Assistance Act of 1961, P.L. 87-195).

U.S. policy makers and others hold various views on the appropriate types and levels of U.S. involvement in the region. Some have argued that ties with “energy behemoth” Kazakhstan are crucial to U.S. interests.<sup>7</sup> Others have argued that Uzbekistan is the “linchpin” of the region (it is the most populous regional state and is centrally located, shaping the range and scope of regional cooperation) and should receive the most U.S. attention.

In general, U.S. aid and investment have been viewed as strengthening the independence of the Central Asian states and forestalling Russian, Chinese, Iranian, or other efforts to subvert them. Advocates of U.S. ties have argued that political turmoil and the growth of terrorist enclaves in Central Asia could produce spillover effects both in nearby states, including U.S. allies and friends such as Turkey, and worldwide. They also have argued that the United States has a major interest in preventing terrorist regimes or groups from illicitly acquiring Soviet-era technology for making weapons of mass destruction (WMD). They have maintained that U.S. interests do not perfectly coincide with those of its allies and friends, that Turkey and other actors

possess limited aid resources, and that the United States is in the strongest position as the sole superpower to influence democratization and respect for human rights. They have stressed that such U.S. influence will help alleviate social tensions exploited by Islamic extremist groups to

### Central Asia: Basic Facts

**Total area:** 1.6 million sq. mi., larger than India; Kazakhstan: 1.1 m. sq. mi.; Kyrgyzstan: 77,000 sq. mi.; Tajikistan: 55,800 sq. mi.; Turkmenistan: 190,000 sq. mi.; Uzbekistan: 174,500 sq. mi.

**Total population:** 64.97 million, slightly less than France; Kazakhstan: 17.74 m.; Kyrgyzstan: 5.55 m.; Tajikistan: 7.91 m.; Turkmenistan: 5.11 m.; Uzbekistan: 28.66 m. (July 2013 est., *The World Factbook*.)

**Total gross domestic product:** \$414.74 billion in 2012, slightly less than Belgium. Per capita GDP is about \$6,400, slightly less than Bhutan. There are large income disparities and relatively large percentages of people in each country are in poverty. Kazakhstan: \$231.3 b.; Kyrgyzstan: \$13.47 b.; Tajikistan: \$17.72 b.; Turkmenistan: \$47.55 b.; Uzbekistan: \$104.7 b. (*The World Factbook*, purchasing power parity.)

<sup>7</sup> U.S. Department of State, Office of the Spokesman, *Remarks: Secretary of State Condoleezza Rice At Eurasian National University*, October 13, 2005. In August 2012, then-Assistant Secretary of State Robert Blake stated that “our relations with Kazakhstan ... are the deepest and broadest of all countries in Central Asia.” U.S. Department of State, *On-the-Record Briefing With International Media: Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs*, August 15, 2012.

gain adherents. They also have argued that for all these reasons, the United States should maintain military access to the region even after most or all U.S. and NATO forces exit Afghanistan.<sup>8</sup>

Some views of policy makers and academics who previously objected to a more forward U.S. policy toward Central Asia appeared less salient after September 11, 2001—when the United States came to stress counter-terrorism operations in Afghanistan—but aspects of these views could again come to the fore as such operations wind down in Afghanistan in 2014. These observers argued that the United States historically had few interests in Central Asia and that developments there remained largely marginal to U.S. interests. They also argued that the United States should not try to foster democratization among cultures they claimed are historically attuned to authoritarianism. Some observers rejected arguments that U.S. interests in anti-terrorism, nonproliferation, regional cooperation, and trade outweighed concerns over democratization and human rights, and urged reducing or cutting off most aid to repressive Central Asian states. A few observers pointed to instability in the region as a reason to eschew deeper U.S. involvement such as military access that could needlessly place more U.S. personnel and citizens in danger.

The Obama Administration has listed six objectives of what it terms an enhanced U.S. engagement policy in Central Asia:

- to maximize the cooperation of the states of the region with coalition counter-terrorism efforts in Afghanistan, particularly cooperation on hosting U.S. and NATO airbases and on the transit of troops and supplies to and from Afghanistan along the Northern Distribution Network (NDN; see below, “The Northern Distribution Network to and from Afghanistan”). This objective is becoming less central as coalition efforts wind down.
- A related goal is a stable region to serve as part of a “Silk Road” of north-south trade and communications links to increase the development and diversification of the region’s energy and other resources and supply routes;
- to promote the eventual emergence of good governance and respect for human rights;
- to foster competitive market economies;
- to combat the trafficking of narcotics and people; and
- to sustain nonproliferation.

Signs of this enhanced engagement have included U.S. senior-level diplomatic visits and annual meetings of the U.S.-Central Asia Council on Trade and Investment (see below). In 2009, the Obama Administration also launched high-level Annual Bilateral Consultations (ABCs) with each of the regional states on counter-narcotics, counter-terrorism, democratic reforms, the rule of law, human rights, trade, investment, health, and education.

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<sup>8</sup> At least some of these views seemed to be reflected in the former Bush Administration’s 2006 National Security Strategy of the United States, which proclaimed that “Central Asia is an enduring priority for our foreign policy.” The Obama Administration’s May 2010 National Security Strategy does not specifically mention Central Asia or the Caspian region. The White House, *National Security Strategy of the United States*, March 16, 2006, p. 40; *National Security Strategy*, May 2010.



In February 2012, the State Department announced that it was elevating relations with Kazakhstan to the level of a strategic partnership dialogue by transforming the bilateral ABC into a Strategic Partnership Commission, similar to the ones with Georgia and Ukraine. However, unlike these, no formal charter has been released. The first meeting of this Commission took place in April 2012 in Washington, DC, during which political, economic, and scientific working groups discussed plans for bilateral projects. The second meeting took place in July 2013 in Washington, DC, hosted by visiting Kazakh Foreign Minister Erlan Idrissov and Secretary Kerry. The United States praised Kazakhstan's "leadership role" in supporting security in Afghanistan, including through assistance to the Afghan National Security Forces and a university scholarship program. The United States pledged continued support for Kazakhstan's peacekeeping brigade and the annual Steppe Eagle military exercise and for its efforts to join the World Trade Organization, and agreed to a U.S. trade and investment delegation visit to Kazakhstan during 2014.<sup>9</sup>

In late January 2014, Director of National Intelligence James Clapper testified that the governments of the Central Asian states continue to be concerned about regional instability following the drawdown of U.S. and NATO forces in Afghanistan. He suggested that Central Asian militants currently harbored in Afghanistan and Pakistan would continue to pose a threat to the Central Asian region, but sources of internal regional instability would probably remain more of a threat. Such instability includes uncertain political succession contingencies, endemic corruption, weak economies, ethnic tensions, and political repression. Regional cooperation remains stymied by personal leadership rivalries and disputes over water, borders, and energy. While intra-regional relations are tense, chances of conflict are reduced by the attention the regional leaders must devote to maintaining internal control.<sup>10</sup>

Among relevant policy statements, former Assistant Secretary of State Robert Blake appeared to emphasize U.S. security interests in testimony in November 2010 when he stated that "Central Asia plays a vital role in our Afghanistan strategy.... A stable future for Afghanistan depends on the continued assistance of its Central Asian neighbors, just as a stable, prosperous future for the Central Asian states depends on bringing peace, stability and prosperity to Afghanistan." Appearing at the same hearing as Blake, Deputy Assistant Secretary of Defense David Sedney stated that "from the Department of Defense perspective ... our focus is on the support for the effort in Afghanistan, but that is accompanied by the longer-term security assistance projects, including a variety of training efforts in areas from counterterrorism to counternarcotics that are building capabilities in those countries that are important for reasons well beyond Afghanistan."<sup>11</sup>

At the same time, then-Assistant Secretary Blake in July 2010 refuted the arguments of critics "that this Administration is too focused on the security relationship with [Central Asian] countries and forgets about human rights." He stated that human rights and civil society issues "will remain an essential part of our dialogue equal in importance to our discussion on security issues."<sup>12</sup>

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<sup>9</sup> U.S. Department of State, Office of the Spokesperson, *Joint Statement of Second Kazakhstan-United States Strategic Partnership Dialogue*, July 10, 2013.

<sup>10</sup> U.S. Senate, Select Committee on Intelligence, *Statement for the Record, Worldwide Threat Assessment of the U.S. Intelligence Community*, James R. Clapper, Director of National Intelligence, January 29, 2014.

<sup>11</sup> U.S. House of Representatives, Committee on Foreign Relations, Subcommittee on Asia, the Pacific, and the Global Environment, Hearing on the Emerging Importance of the U.S.-Central Asia Partnership, *Testimony of Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs*, and *Testimony of David Sedney, Deputy Assistant Secretary of Defense*, November 17, 2010.

<sup>12</sup> U.S. Department of State, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, *U.S.* (continued...)

Similarly, in congressional testimony in July 2012, he argued that “the path to progress on [human rights] is more engagement with these governments, not less.”<sup>13</sup>

In a speech in October 2012, then-Assistant Secretary Blake underlined that the Central Asian countries have an important role in ensuring the security of Afghanistan after 2014. He averred that the Silk Road Vision (see below, aimed to integrate Afghanistan into the larger regional economy and hailed the NDN (see below, “The Northern Distribution Network to and from Afghanistan”) as one means to boost private sector trade between Central and South Asia. He praised Central Asian economic cooperation with Afghanistan and stated that U.S. efforts to encourage economic and security ties between the Central Asian states and Afghanistan had provided opportunities to advocate for greater democratization and respect for human rights in Central Asia.<sup>14</sup>

Nisha Biswal was sworn in as Assistant Secretary of State for South and Central Asian Affairs on October 21, 2013. At her confirmation hearing, she praised Kazakhstan as a leader among the Central Asian states in supporting stabilization efforts in Afghanistan. She stated that “expanding greater regional connectivity and linking economies and markets will be one of my top priorities.” She stated that “Turkmenistan and Tajikistan have agreed to build a rail line linking their two countries via Afghanistan,” as one example of developing “important regional infrastructure linkages” (although the mentioned links go around Uzbekistan), and pointed to Turkmenistan’s long-time promotion of a gas pipeline through Afghanistan to Pakistan as another example. She claimed that all the regional states were working toward or thinking of accession to the World Trade Organization. She stated that she would encourage U.S. private sector and academic collaboration with regional organizations on issues of food security, water management, climate change, and infectious diseases. She stressed that although the United States would work with the regional states to counter terrorism and extremism, she would advocate democratization so that people have peaceful avenues for expressing dissent. She pledged to remain engaged with Uzbekistan to end forced labor and to address other human rights concerns, and to champion freedom of religion throughout the region.<sup>15</sup>

Recent contacts between Central Asian leaders and President Obama and Secretaries Clinton and Kerry and other U.S. officials have included the following:

- The President met on April 11, 2010, with Kazakh President Nursultan Nazarbayev on the sidelines of the Nuclear Security Summit in Washington, DC. A joint statement reported that they “pledged to intensify bilateral cooperation to

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(...continued)

*Policy Towards Central Asia*, Carnegie Endowment for Peace, July 30, 2010. See also U.S. Department of State, Robert O. Blake, Jr., *Remarks: U.S. Policy in Central Asia*, Forum of the Central Asia-Caucasus Institute, January 25, 2012.

<sup>13</sup> U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Europe and Eurasia, Hearing: U.S. Engagement in Central Asia, *Testimony by Robert Blake, Assistant Secretary, Bureau of Central and South Asian Affairs*, U.S. Department of State, July 24, 2012

<sup>14</sup> U.S. Department of State, *Remarks, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, [at] Indiana University’s Inner Asian and Uralic Natural Resource Center*, October 18, 2012. Similarly, see *Remarks, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, [at] the Conference on U.S and European Policy in Central Asia at the Carnegie Endowment for International Peace*, July 12, 2012.

<sup>15</sup> U.S. Senate, Committee on Foreign Relations, Nomination Hearing, *Statement for the Record: Hon. Nisha Desai Biswal, Nominee for Assistant Secretary of State for South and Central Asian Affairs*, September 12, 2013.

promote nuclear safety and nonproliferation, regional stability in Central Asia, economic prosperity, and universal values.” President Obama encouraged Kazakhstan to fully implement its 2009-2012 National Human Rights Action Plan. President Nazarbayev agreed to facilitate U.S. military air flights along a new trans-polar route that transits Kazakhstan to Afghanistan, and President Obama praised Kazakh assistance to Afghanistan.<sup>16</sup>

- Then-Secretary Clinton visited Kazakhstan, Kyrgyzstan, and Uzbekistan in early December 2010. In Kazakhstan, she participated in the OSCE Summit. She also met briefly with Tajik President Rahmon and Turkmen President Gurbanguly Berdimuhamedow on the sidelines of the Astana Summit. In Uzbekistan, she signed an accord on scientific cooperation as one means, she explained, to further U.S. engagement with the country.
- During her October 22-23, 2011, visit to Tajikistan and Uzbekistan, then-Secretary Clinton discussed the Silk Road Vision (see below, “Trade and Investment”) to turn Afghanistan into a regional transportation, trade, and energy hub linked to Central Asia. She also warned the presidents of both countries that restrictions on religious freedom could contribute to rising religious discontent.
- President Obama met with President Nazarbayev at the nuclear security summit in Seoul, South Korea, in March 2012. President Obama hailed Kazakhstan’s efforts to secure nuclear materials inherited from the former Soviet Union.<sup>17</sup>
- Secretary Kerry met with visiting Uzbek Foreign Minister Abdulaziz Kamilov in March 2013. Kerry stated that Uzbekistan is providing “very important” support for the NDN and infrastructure aid to Afghanistan, but also emphasized that bilateral ties were not limited to Afghan-related issues.<sup>18</sup>
- Secretary Kerry met with visiting Kazakh Foreign Minister Erlan Idrissov in July 2013 to convene a session of the bilateral Strategic Partnership Commission (see above). During the visit, Idrissov also met with Defense Secretary Chuck Hagel, Energy Secretary Ernest Moniz, U.S. Trade Representative Michael Froman, and National Security Advisor Susan Rice.
- (However, during Kamilov’s December 2013 U.S. visit, he reportedly met with the State Department’s Deputy Secretary William Burns, among others.)
- (However, during his mid-March 2014 U.S. visit, Tajik Foreign Minister Sirojiddin Aslov reportedly met with Deputy Secretary Burns, among others.)

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<sup>16</sup> The White House, Office of the Press Secretary, *Joint Statement on the meeting between President Obama and Kazakhstan President Nazarbayev* April 11, 2010.

<sup>17</sup> The White House, Office of the Press Secretary, *Remarks by President Obama and President Nursultan Nazarbayev of the Republic of Kazakhstan Before Bilateral Meeting*, March 26, 2012; *Joint Statement of the Presidents of the Republic of Kazakhstan, the Russian Federation, and the United States of America Regarding the Trilateral Cooperation at the Former Semipalatinsk Test Site*, March 26, 2012.

<sup>18</sup> U.S. Department of State, *Secretary Kerry Meets With Uzbek Foreign Minister Kamilov*, March 13, 2013.

## Post-September 11 and Afghanistan

After the terrorist attacks on the United States on September 11, 2001, then-Deputy Assistant Secretary of State B. Lynn Pascoe testified that the former Bush Administration realized that “it was critical to the national interests of the United States that we greatly enhance our relations with the five Central Asian countries” to prevent them from becoming harbors for terrorism.<sup>19</sup> All the Central Asian states soon offered over-flight and other assistance to U.S.-led anti-terrorism coalition operations in Afghanistan. The states were predisposed to welcome such operations. Tajikistan and Uzbekistan had long supported the Afghan Northern Alliance’s combat against the Taliban, and all the Central Asian states feared Afghanistan as a base for terrorism, crime, and drug trafficking (even Turkmenistan, which had tried to reach some accommodation with the Taliban). The U.S.-led coalition’s overthrow of the Taliban and routing of Al Qaeda and Islamic Movement of Uzbekistan (IIMU; see below) terrorists in Afghanistan increased the security of Central Asia.

According to then-Assistant Secretary of Defense J. D. Crouch in testimony in June 2002, “our military relationships with each [Central Asian] nation have matured on a scale not imaginable prior to September 11<sup>th</sup>.” Crouch averred that “for the foreseeable future, U.S. defense and security cooperation in Central Asia must continue to support actions to deter or defeat terrorist threats” and to build effective armed forces under civilian control.

As outlined by Crouch and as affected by subsequent developments, security relationships include

- a “critical regional partnership” with Kyrgyzstan in OEF, providing basing for U.S. and coalition forces at Manas. The Defense Department plans to transition from the base by July 10, 2014 (see below).
- a base in Uzbekistan for U.S. operations at Karshi-Khanabad (K2; U.S. troops reportedly numbered less than 900 just before the 2005 pullout, see below), a base for German units near Termez (in early 2014, *The Military Balance* reported that there were 100 German troops at the base), and a land corridor to Afghanistan for aid via the Friendship Bridge and a rail link at Termez.
- an agreement with Tajikistan to use its international airport in Dushanbe for refueling (“gas-and-go”) and the country’s hosting of a French air detachment (these troops departed in 2013).
- over-flight and other support by Kazakhstan and Turkmenistan.<sup>20</sup>

To obtain Uzbekistan’s approval for basing, the 2002 U.S.-Uzbek Strategic Partnership Declaration included a nonspecific security guarantee. The United States affirmed that “it would regard with grave concern any external threat” to Uzbekistan’s security and would consult with Uzbekistan “on an urgent basis” regarding a response. The two states pledged to intensify military cooperation, including “reequipping the Armed Forces” of Uzbekistan.

<sup>19</sup> U.S. Senate, Committee on Foreign Relations, Subcommittee on Central Asia and the South Caucasus, The U.S. Role in Central Asia. *Testimony of B. Lynn Pascoe, Deputy Assistant Secretary for European and Eurasian Affairs*, June 27, 2002.

<sup>20</sup> Senate Foreign Relations Committee, Subcommittee on Central Asia and the South Caucasus, *Statement of J.D. Crouch II, Assistant Secretary of Defense for International Security Policy*, June 27, 2002.

In 2009, most Central Asian states agreed to facilitate the air and land transport of U.S. and NATO nonlethal supplies (and later of lethal equipment by air) to Afghanistan as an alternative to land transport via increasingly volatile Pakistan. In 2012, most of the states approved the reverse transit of supplies and equipment out of Afghanistan. For further details, see below, “The Northern Distribution Network to and from Afghanistan.”

## Support for Operation Iraqi Freedom

Uzbekistan and Kazakhstan were the only Central Asian states that joined the “coalition of the willing” in 2003 that endorsed U.S.-led coalition military operations in Iraq. Uzbekistan subsequently decided not to send troops to Iraq. In August 2003, Kazakhstan deployed some two dozen troops to Iraq who served under Polish command and carried out water-purification, demining, and medical activities. They pulled out in late 2008.

## Fostering Pro-Western Orientations

The United States has encouraged the Central Asian states to become responsible members of the international community by providing bilateral aid and through coordination with other aid donors. The stated policy goal is to discourage radical anti-democratic regimes and terrorist groups from gaining influence. All the Central Asian leaders publicly embrace Islam but display hostility toward Islamic fundamentalism. At the same time, they have established some trade and aid ties with Iran. Some observers argue that, in the longer run, their foreign policies may not be anti-Western but may more closely reflect some concerns of other Islamic states. Some Western organizational ties with the region have suffered in recent years, in particular those of the OSCE, which has been criticized by some Central Asian governments for advocating democratization and respect for human rights.<sup>21</sup> Despite this criticism, President Nazarbayev successfully pushed for Kazakhstan to hold the presidency of the OSCE in 2010 (see below).

In early 2006, the State Department incorporated Central Asia into a revamped Bureau of South and Central Asian Affairs. According to former Principal Deputy Assistant Secretary of State Steven Mann, “institutions such as NATO and the OSCE will continue to draw the nations of Central Asia closer to Europe and the United States,” but the United States also will encourage the states to develop “new ties and synergies with nations to the south,” such as Afghanistan, India, and Pakistan.<sup>22</sup> Other observers, however, criticized the State Department action, arguing that it deemphasized efforts to integrate the region into European institutions, subordinated U.S. ties with Central Asia to the U.S. strategic calculus regarding Afghanistan and to other U.S. ties with South Asia, and provided an opportunity for Russia and China to move into the breach to assert greater influence.<sup>23</sup>

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<sup>21</sup> See also CRS Report RL30294, *Central Asia's Security: Issues and Implications for U.S. Interests*, by Jim Nichol.

<sup>22</sup> U.S. House of Representatives, Committee on International Relations, Subcommittee on the Middle East and Central Asia, Hearing on Assessing Energy and Security Issues in Central Asia, *Testimony of Steven Mann, Principal Deputy Assistant Secretary for South and Central Asian Affairs*, July 25, 2006. The State Department appointed a Senior Advisor on Regional Integration in the Bureau of South and Central Asian Affairs, Robert Deutsch, who focused on bolstering trade and transport ties between South and Central Asia.

<sup>23</sup> U.S. Senate, Committee on Foreign Relations, Subcommittee on International Economic Policy, Export, and Trade, Hearing on Energy Supplies in Eurasia and Implications for U.S. Energy Security, *Testimony by Zeyno Baran*, September 27, 2005.

Some observers warn that after the U.S. and NATO drawdown in Afghanistan, Russian and Chinese influence will grow in the region. Russia's CSTO may seek greater military influence in the region, while Russia and China may compete more openly and intensively for economic influence. Russia will seek to strengthen economic influence through the Customs Union and other integration initiatives. These observers also suggest that European Union (EU) influence will remain constrained for some time by its economic recovery problems.<sup>24</sup>

The EU has been more interested in Central Asia in recent years as the region became more of a security threat as an originator and transit zone for drugs, weapons of mass destruction, refugees, and persons smuggled for prostitution or labor. Russia's cutoff of gas supplies in 2006 and 2009 to Ukraine—which hindered gas supplies transiting Ukraine to European customers—also bolstered EU interest in Central Asia as an alternative supplier of oil and gas. Such interests contributed to the launch of a Strategy Paper for assistance for 2002-2006 and a follow-on for 2007-2013 (see below), and the EU's appointment of a Special Representative to the region. The EU implemented Partnership and Cooperation Agreements (PCAs, which set forth political, economic, and trade relations) with Kazakhstan, Kyrgyzstan, and Uzbekistan. An existing Interstate Oil and Gas Transport to Europe (INOGATE) program was supplemented in 2004 and 2006 by a Baku Energy Initiative and an Astana Energy Ministerial Declaration to diversify energy supplies (see "Energy Resources," below).

In June 2007, the EU approved a new "Central Asian strategy" for enhanced aid and relations for 2007-2013. It argued that the EU ties with the region needed to be enhanced because EU enlargement and EU relations with the South Caucasus and Black Sea states brought it to Central Asia's borders. The strategy also stressed that "the dependency of the EU on external energy sources and the need for a diversified energy supply policy in order to increase energy security open further perspectives for cooperation between the EU and Central Asia," and that the "EU will conduct an enhanced regular energy dialogue" with the states. Under the strategy and an associated *Regional Strategy Paper for Assistance to Central Asia for the Period 2007-2013*, also promulgated in 2007, the EU set up offices in all the regional states except Turkmenistan. The EU reports that allocations over the period 2007-2012 totaled 435 million euros. Kazakhstan received about 50 million euros, Kyrgyzstan and Tajikistan each received over 100 million euros, and regional programs received 133 million euros. EU emissaries held dozens of meetings and seminars each year with the Central Asian states on such issues as human rights, civil society development, foreign policy and assistance, trade and investment, environmental and energy cooperation, and other issues.<sup>25</sup>

In November 2013, the EU announced a new development program for Central Asia with funding of one billion euros over the period 2014-2020. The EU program calls for the largest amount of assistance to be devoted to democratization and sustainable economic growth. Kazakhstan was deemed to not need bilateral assistance but remained eligible for thematic and regional aid.<sup>26</sup> In

<sup>24</sup> Vahan Dilanyan and Armen Sahakyan, Afghanistan After America: Ripples in Russia and the Caucasus, *The National Interest*, January 31, 2014.

<sup>25</sup> European Commission, *Regional Strategy Paper for Assistance to Central Asia for the Period 2007-2013*, June 2007; European Commission, External Relations Directorate, *Central Asia DCI Indicative Program 2011 – 2013*, September 2010; European Union, *Remarks by High Representative Catherine Ashton Following the EU-Central Asia Ministerial Meeting in Kyrgyzstan*, Press Release, November 27, 2012; European Court of Auditors, *EU Development Assistance to Central Asia*, Special Report No. 13, January 14, 2014.

<sup>26</sup> European Commission, *Press Release, EU announces Future Commitments for Development with Central Asia Region*, IP/13/1119, November 20, 2013. See also Paolo Bartolozzi, "A European Policy in Central Asia," *EP Today*, (continued...)

late January 2014, the EU's Special Representative to Central Asia stepped down, and the responsibilities were assumed by officials in the European External Action Service. Some observers raised concerns about this lower-level official engagement with Central Asia.<sup>27</sup>

## Russia's Role

During most of the 1990s, successive U.S. administrations generally viewed a democratizing Russia as serving as a role model in Central Asia. Despite growing authoritarian tendencies in Russia during the presidencies of Vladimir Putin (2000-2008, and again after his re-election in 2012) and Dmitriy Medvedev (2008-2012), successive U.S. administrations have emphasized that Russia's counter-terrorism efforts in the region broadly support U.S. interests. At the same time, successive administrations have stressed to Russia that it should not seek to dominate the region or exclude Western and other involvement. Virtually all U.S. analysts agree that Russia's actions should be monitored to gauge whether it is vitiating the independence of the Central Asian states.

Soon after the terrorist attacks on the United States on September 11, 2001, Russia acquiesced to increased U.S. and coalition presence in the region for operations against Al Qaeda and its supporters in Afghanistan. Besides Russia's own concerns about Islamic extremism in Afghanistan, Central Asia, and its own North Caucasus, it was interested in boosting its economic and other ties to the West and regaining some influence in Afghanistan. In the later part of the 2000s, however, Russia appeared to step up efforts to counter U.S. influence in Central Asia and reassert its own "great power" status by advocating that the states increase economic and strategic ties with Russia and limit such ties with the United States. This stance included backing and encouragement for Uzbekistan and Kyrgyzstan to close their U.S. airbases. Such a stance appeared paradoxical to U.S. officials, since Russia (and China) benefitted from anti-terrorism operations carried out by U.S. (and NATO) forces in Afghanistan. Improved U.S.-Russia relations during President Obama's first term in office appeared to include some Russian cooperation with U.S. and NATO stabilization efforts in Afghanistan, but the status of such cooperation has appeared more uncertain in recent months, according to some observers.

During the 1990s, Russia's economic decline and demands by Central Asia caused it to reduce its security presence, a trend that Vladimir Putin since 2000 has appeared determined to reverse. In 1999, Russian border guards were largely phased out in Kyrgyzstan, the last Russian military advisors left Turkmenistan, and Uzbekistan withdrew from the Collective Security Treaty (CST; see below) of the Commonwealth of Independent States (CIS), in part because the treaty members failed to help Uzbekistan meet the growing Taliban threat in Afghanistan, according to Uzbek President Islam Karimov.

Despite these moves, Russia appeared determined to maintain a military presence in Tajikistan. It has retained from the Soviet period the 201<sup>st</sup> motorized infantry division of about 5,000 troops subordinate to Russia's Central Military District. Some Russian officers reportedly help oversee

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February 9, 2014.

<sup>27</sup> Jos Boonstra, "Is the EU Downscaling Political Engagement in Central Asia? *EUCAM Commentary*, Foundation for International Relations and Foreign Dialogue, February 2014.

these troops, many or most of whom are ethnic Tajik noncommissioned officers and soldiers. Tajik Frontier Force border guards also receive support from the 201<sup>st</sup> division.<sup>28</sup>

Russia's efforts to formalize a basing agreement with Tajikistan dragged on for years, as Tajikistan endeavored to charge rent and assert its sovereignty. In October 2004, a 10-year basing agreement was signed, formalizing Russia's largest military presence abroad, besides its Black Sea Fleet. At the same time, Tajikistan demanded full control over border policing. Russia announced in June 2005 that it had handed over the last guard-house along the Afghan-Tajik border to Tajik troops (a few dozen Russian border advisors remained).

In October 2009, visiting President Rahmon reportedly urged then-President Medvedev to pay rent on Russia's base facilities in Tajikistan. At a meeting in Dushanbe in September 2011, then-President Medvedev announced that he and Rahmon had made progress in reaching agreement on extending the basing agreement for another 49 years, and that an accord would be signed in early 2012. Some media reported that Tajikistan was calling for up to \$300 million in annual rent payments. Also at the meeting, the two presidents agreed that the number of Russian border advisors reportedly would be reduced from 350 to 200, and that they would more closely cooperate with the Tajik border force.

President Rahmon met with newly inaugurated President Putin in Moscow on the sidelines of a CIS summit in mid-May 2012, and the two leaders agreed to continue the apparently contentious discussions on extending the basing agreement. During President Putin's early October 2012 visit, the two leaders agreed to a basing agreement through the year 2042. President Rahmon was unsuccessful in getting Russia to pay more on the base lease, but Russia pledged added military modernization assistance. Of great significance for Tajikistan, Putin agreed that work permits for Tajik migrant laborers would be extended from one to three years. Tensions rose, however, as Tajikistan lagged in ratifying the accord. According to some observers, President Rahmon delayed ratification of the basing agreement pending Moscow's full support for his re-election in November 2013. Other observers point to President Rahmon's late May 2013 visit to China, where he and President Xi Jinping signed a strategic partnership agreement that included pledges to deepen cooperation on security issues and to support Tajikistan as it assumed the rotating leadership of the SCO in late 2013. According to another view, Tajikistan was resisting pressure from Moscow to re-admit Russian border forces along the Tajik-Afghan border.

Meeting with President Putin in Moscow on August 1, 2013, President Rahmon announced that he soon would submit the basing agreement for legislative approval, and the legislature duly affirmed the accord in early October 2013.<sup>29</sup>

In a seeming shift toward a more activist role in Central Asia, in April 2000, Russia called for the signatories of the CST to approve the creation of rapid reaction forces to combat terrorism and hinted that such forces might launch preemptive strikes on Afghan terrorist bases. These hints elicited U.S. calls for Russia to exercise restraint. Then-President Clinton and Putin agreed in 2000 to set up a working group to examine Afghan-related terrorism (this working group later broadened its discussions to other counter-terrorism cooperation; it has continued to meet under the Obama Administration). CST members agreed in 2001 to set up the Central Asian rapid

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<sup>28</sup> *The Military Balance*, London: International Institute of Strategic Studies, February 5, 2014.

<sup>29</sup> *CEDR*, August 2, 2013, Doc. No. CEL-34127664; "Tajikistan: Rahmon Likely to Face Increasing Russian Political Pressure," *Open Source Center Analysis*, October 22, 2013.



reaction force headquartered in Kyrgyzstan, with Russia's troops in Tajikistan comprising most of the force (this small force of 3,000 to 5,000 troops has held exercises and supposedly is dedicated to border protection; in 2009 it was supplemented by a larger 20,000-troop rapid reaction force with a supposedly wider mission).<sup>30</sup> CIS members in 2001 also approved setting up an Anti-Terrorism Center (ATC) in Moscow, with a branch in Kyrgyzstan, giving Russia influence over regional intelligence gathering.

Perhaps as a result of the establishment of a U.S. airbase in Kyrgyzstan after the September 11, 2001, attacks (see "The Manas Airbase" below), Russia in September 2003 signed a 15-year military basing accord with Kyrgyzstan providing access to the Kant airfield, near Kyrgyzstan's capital of Bishkek. The base is a few miles from the U.S.-led coalition's airbase. Russia attempted to entice Kyrgyzstan in early 2009 to close the Manas airbase by offering the country hundreds of millions of dollars in grants and loans. However, after Kyrgyzstan agreed to continued U.S. use of the airbase in mid-2009 as a "Transit Center," Russia reneged on some of this funding and requested that Kyrgyzstan grant Moscow rights to another airbase near Uzbekistan's border. Uzbekistan denounced this plan, and it appeared to be put on hold. With the U.S.-Russia "reset" of relations during President Obama's first term in office, Russia's opposition to the continued operation of the Manas Transit Center seemingly diminished, but by May 2012, the Russian Foreign Ministry hailed a statement by Kyrgyz President Almazbek Atambayev that he had decided not to renew the lease on the U.S. Transit Center.

Russian President Vladimir Putin visited Kyrgyzstan and met with President Atambayev on September 20, 2012. The two sides signed a 15-year extension to Russia's lease on "unified" military facilities in the country, including the Kant airbase, operated as part of the CSTO. Russia's rent payment for using the facilities—reportedly \$4.5 million per year—reportedly did not change, although issues of training and Kyrgyzstan's supply of free utilities to the facilities reportedly were addressed. The two sides also signed accords canceling one \$190 million Kyrgyz debt and restructuring another \$300 million loan (the latter had been given by Putin to Kyrgyzstan in 2009). Another agreement pledged assistance by Russian firms in building several hydropower projects, including a renewed commitment to assist with the Kambarata-1 dam and hydroelectric power station (see also below). In a joint statement, Atambayev pledged to close the U.S. Transit Center at Manas in 2014, and Putin pledged to consider assistance to help convert the Transit Center facilities to civilian use. Hailing agreements that further integrated the two countries militarily and economically, President Atambayev stated at a press conference that "Russia is our main strategic partner.... We do not have a future separate from Russia."<sup>31</sup>

Besides Russia's military presence in Kyrgyzstan and Tajikistan, Russia's 2009 National Security Strategy called for the country to play a dominant role in Caspian basin security. Russia's Caspian Sea Flotilla has been bolstered by troops and equipment in recent years. A security cooperation agreement signed at a Caspian littoral state summit on November 18, 2010, states that Caspian basin security is the exclusive preserve of the littoral states. Some observers have viewed this agreement as reflecting Russia's objections to U.S. maritime security cooperation initiatives (see below, "U.S. Security and Arms Control").<sup>32</sup>

<sup>30</sup> CEDR, February 25, 2010, Doc. No. CEP-950282.

<sup>31</sup> CEDR, September 20, 2012, Doc. No. CEP-950131, CEP-950107, and CEP-950085; *Interfax*, September 20, 2012.

<sup>32</sup> CEDR, November 19, 2010, Doc. No. CEP-4002.

Taking advantage of Uzbekistan's souring relations with many Western countries in 2005 (see below, "*The 2005 Violence in Andijon, Uzbekistan*"), Russia signed a Treaty on Allied Relations with Uzbekistan in November 2005 that called for mutual defense consultations in the event of a threat to either party (similar to language in the CST). Uzbekistan rejoined the CST Organization (CSTO; see below) in June 2006. Uzbekistan declined to participate in rapid reaction forces established in June 2009 because of concerns that the forces could become involved in disputes between member states. On June 20, 2012, Uzbekistan informed the CSTO that it was suspending its membership in the organization, including because the CSTO was ignoring its concerns. However, Uzbek officials stated that the country would continue to participate in the CIS air defense system and other military affairs under the Allied Relations Treaty. According to some observers, the withdrawal of Central Asia's largest military from the CSTO highlighted the organization's ineffectiveness.<sup>33</sup> In June 2012, President Karimov visited China and met with then-President Hu Jintao, and the two leaders signed a strategic partnership agreement. Commenting on this accord in September 2012, President Karimov stated that "China is indeed the most reliable strategic partner for us."<sup>34</sup> Some observers also have suggested that Uzbekistan's withdrawal from the CSTO was linked to a hoped-for greater role in the NDN for the transit of equipment and materials to and from Afghanistan (see below, "The Northern Distribution Network to and from Afghanistan").

Uzbekistan strongly objected to the September 2012 Russia-Kyrgyz agreement on constructing the Kambarata-1 dam, asserting that talks should include all countries along the watershed (the Naryn River, the proposed site of the dam, flows into the Syr Darya River through Uzbekistan and Kazakhstan). At a meeting of the Russia-Uzbek Intergovernmental Economic Cooperation Commission in December 2012, the two sides agreed to seek an international assessment of the dam's environmental impact before construction is started. A report in March 2014 did not mention this assessment, but indicated that Russia was finalizing a feasibility study for the Kambarata-1 hydropower station and that a funding decision would be made thereafter.<sup>35</sup>

On November 11, 2013, visiting President Nazarbayev and President Putin signed a treaty on good neighborly relations and cooperation. As a prelude to the visit, Putin submitted a Kazakhstan-Russia agreement on joint air defenses, signed in January 2013, to the Russian Federal Assembly for approval. The air defense cooperation is reportedly more robust than that provided under the joint CIS air defense system shared by Russia, Kazakhstan, Armenia, Belarus, and Kyrgyzstan. Under the accord, a headquarters will be set up in Almaty. Kazakhstan nominally will still be in charge of its air defense system in peacetime, but the system will be jointly operated in case of war.<sup>36</sup>

Many observers suggest that the appreciative attitude of Central Asian states toward the United States in the early 2000s—for their added security accomplished through U.S.-led actions in Afghanistan—has declined over time. Reasons may include perceptions by the states that the United States has not provided adequate security or economic assistance. Russian media outlets in Central Asia also have propagandized heavily against U.S. activities and policies, and this propaganda may well have influenced public opinion in the region. Russia likewise has warned

<sup>33</sup> "Interview: Analyst Says Uzbekistan's Suspension Shows CSTO Is 'Irrelevant,'" *RFE/RL*, June 29, 2012.

<sup>34</sup> *CEDR*, September 13, 2012, Doc. No. CEP-950016.

<sup>35</sup> Tatyana Kudryavtseva, "Russia to Decide on Kambarata HPP-1 Funding in Next 3 Months," *24.kg News Agency*, March 3, 2014.

<sup>36</sup> *CEDR*, November 1, 2013, Doc. No. CER-68306473.

regional leaders that the United States backs democratic “revolutions” to replace them. Lastly, Russia has claimed that it can ensure regional security after the planned drawdown of U.S. and NATO forces in Afghanistan by the end of 2014.<sup>37</sup>

As Russia’s economy improved in the 2000s—as a result of increases in oil and gas prices—Russia reasserted its economic interests in Central Asia. Russia has endeavored to counter Western business and gain substantial influence over energy resources through participation in joint ventures and by insisting that pipelines cross Russian territory. The numbers of migrant workers from Central Asia have increased, and worker remittances from Russia are significant to the GDPs of Kyrgyzstan, Tajikistan, and Uzbekistan and are a source of Russian leverage.

However, Russia’s efforts to maintain substantial economic interests in Central Asia face increasing competition from China, which has substantially increased its regional aid and trade activities. Perhaps to constrict growing Chinese economic influence, a Russia-Belarus-Kazakhstan customs union began operating in mid-2011. In an article in October 2011, then-Prime Minister Putin called for boosting Russian influence over Soviet successor states through the creation of an economic, political, and military “Eurasian Union.” In late October 2013, President Nazarbayev accused Russia of controlling the governing body of the Customs Union, even though the staffers were supposed to be international bureaucrats. He also complained that the Customs Union had resulted in an increase in imports into Kazakhstan and a decrease in exports, harming Kazakh businesses. During a November 2013 visit to Russia, President Putin reportedly refuted this assertion, arguing that Kazakhstan’s exports to Russia were increasing.<sup>38</sup> At a meeting of the Eurasian Economic Commission (governing body of the Customs Union and the larger Eurasian Economic Community) in early March 2014—after Russian forces had entered Ukraine’s Crimea—Kazakhstan and Moldova indicated that they were ready to move forward with plans to form a Eurasian Union. However, Nazarbayev reportedly called for a secretariat to be formed before the rules and procedures of the Eurasian Union are worked out, perhaps indicating some concerns about protecting Kazakhstan’s sovereignty within the Eurasian Union, according to some observers.<sup>39</sup>

Even before he was elected president of Kyrgyzstan, Almazbek Atambayev called for the country to join the Customs Union. In December 2013, however, President Atambayev rejected a road map promulgated by the Eurasian Economic Commission for Kyrgyzstan’s admission to the Customs Union. Kyrgyz officials complained they had not been invited to participate in drawing up the plan and that their written proposals had been inadequately addressed.

## China’s Role

China’s objectives in Central Asia include ensuring border security, non-belligerent neighbors, and access to trade and natural resources. In April 1996, the presidents of Kazakhstan, Kyrgyzstan, Russia, and Tajikistan traveled to Shanghai to sign a treaty with China’s then-President Jiang Zemin pledging the sanctity and substantial demilitarization of borders. They

<sup>37</sup> Joshua Kucera, “Washington Must Adapt to Diminished Role in Central Asia,” *Eurasianet*, December 4, 2012; Mark Katz, “Russia, Iran, and Central Asia: Impact of the U.S. Withdrawal from Afghanistan,” *Iran Regional Forum*, Elliot School of International Affairs, February 2013.

<sup>38</sup> *CEDR*, November 12, 2013, Doc. No. CEL-37689807.

<sup>39</sup> Aleksandra Jarosiewicz, *Analyses: Customs Union Summit in the Context of Ukraine*, Center for Eastern Studies, Warsaw, March 12, 2014.

signed protocols that they would not harbor or support separatists, aimed at China's efforts to quash separatism in its Uighur Autonomous Region of Xinjiang Province, which borders Central Asia. In April 1997, the five presidents met again in Moscow to sign a follow-on treaty demilitarizing the 4,000 mile former Soviet border with China. In May 2001, the parties admitted Uzbekistan as a member and formed the Shanghai Cooperation Organization (SCO), agreeing to combat the "three evils" of terrorism, extremism and separatism (see also below, "Obstacles to Peace and Independence: Regional Tensions and Conflicts").

After September 11, 2001, SCO members did not respond collectively to U.S. overtures but mainly as individual states. China encouraged Pakistan to cooperate with the United States. China benefitted from the U.S.-led coalition actions in Afghanistan against the IMU and the Taliban, since these groups had been providing training and sustenance to Uighur extremists.

Most analysts do not anticipate Chinese territorial expansion into Central Asia, though China is seeking greater economic influence. China is a major trading partner for the Central Asian states and may become the dominant economic influence in the region. In comparison, Turkey's trade with the region is much less than China's. Central Asia's China trade turnover exceeded \$1 billion annually by the late 1990s and thereafter expanded greatly, reportedly reaching \$40 billion in 2013. Chinese purchases of oil and gas from Kazakhstan and Turkmenistan accounted for most of this expansion.<sup>40</sup>

Kazakhstan and Kyrgyzstan have been deft in building relations with China. They have cooperated with China in delineating borders, building roads, and increasing trade ties. The construction of oil and gas pipelines from Kazakhstan and Turkmenistan to China's Xinjiang region mark China's growing economic influence in the region. However, officials in these states also have been concerned about Chinese intentions and the spillover effects of tensions in Xinjiang. Some have raised concerns about growing numbers of Chinese traders and immigrants, and there are tensions over issues like water resources. China's crackdown on dissidence in Xinjiang creates particular concern in Kazakhstan, because over one million ethnic Kazakhs reside in Xinjiang and many Uighurs reside in Kazakhstan. Some ethnic Kyrgyz also reside in Xinjiang. On the other hand, Kazakhstan fears that Uighur separatism in Xinjiang could spread among Uighurs residing in Kazakhstan, who may demand an alteration of Kazakh borders to create a unified Uighur "East Turkestan." China's relations with Tajikistan improved with the signing of a major agreement in May 2002 delineating a final section of borders in the Pamir Mountains shared by the two states.

In 1993, China abandoned its policy of energy self-sufficiency, making Central Asia's energy resources attractive. In September 1997, Kazakhstan granted the China National Petroleum Corporation (CNPC) production rights to develop major oil fields, including the Aktyubinsk Region of northwestern Kazakhstan. In succeeding years, China greatly increased its energy investments in Central Asia, including in oil and gas fields and pipelines. According to some observers, China's energy investments in Central Asia may soon eclipse Russia's (For more recent information on China's energy role in Central Asia, see below, "Energy Resources.")<sup>41</sup>

<sup>40</sup> "China-Central Asia Trade Seeing Fast Growth," *Xinhua News Agency*, February 13, 2014.

<sup>41</sup> Robert M. Cutler, "China Deepens Energy Cooperation in Central Asia," *CACI Analyst*, May 1, 2013; Alexandros Petersen, "A Hungry China Sets Its Sights on Central Asia," *The Atlantic*, March 5, 2013; Alexandros Petersen, "Inadvertent Empire," *China in Central Asia*, April 16, 2013, at <http://chinaincentralasia.com/2013/04/16/inadvertent-empire>; Alexandros Petersen and Katinka Barysch, *Russia, China, and the Geopolitics of Energy in Central Asia*, (continued...)

In September 2013, Chinese President Xi Jinping visited all the regional states except Tajikistan (President Rahmon had visited China and met with President Xi Jinping in May 2013). The Chinese president reportedly signed agreements in Kazakhstan for up to \$30 billion, in Turkmenistan for \$8 billion, in Uzbekistan for \$15 billion, and in Kyrgyzstan for \$3 billion, as part of a more robust policy of increasing trade with the region and encouraging the development of east-west transport links. In a speech at Nazarbayev University in Astana on September 7, 2013, President Xi Jinping stressed that China had worked in Central Asia more than 2,100 years ago to establish the silk road to Europe, and was endeavoring since the Central Asian states gained independence to re-vitalize the silk road as a priority area of China's foreign policy. He pledged that China would never interfere in the internal affairs of the regional states, would not seek to dominate regional affairs, and would not establish a sphere of influence over the region. He called for the Central Asian governments to share information with China on economic policies and for greater cooperation between the SCO and the Russia-led Eurasian Economic Community in order to strengthen a "silk road economic belt." As a practical matter, he called for finishing road interconnections between the Pacific Ocean and Baltic Sea ports.<sup>42</sup>

The increased U.S. and NATO presence in Central Asia and Afghanistan since the early 2000s may have delayed China's objective of becoming the dominant Asian power. Some observers suggest that after the drawdown of U.S. and NATO operations in Afghanistan in 2014, there may be greater competition between Russia and China for influence in the region. This competition had previously been set aside to some degree as both powers were focused on monitoring and limiting the scope of U.S. and NATO regional influence, according to these observers. China may seek to gain greater influence in Central Asia to counter a U.S. pivot to Asia, which it considers to be a containment policy, in this view.<sup>43</sup>

## Obstacles to Peace and Independence: Regional Tensions and Conflicts

The legacies of co-mingled ethnic groups, convoluted borders, and emerging national identities pose challenges to stability in all the Central Asian states. Emerging national identities accentuate clan, family, regional, and Islamic self-identifications. Central Asia's convoluted borders fail to accurately reflect ethnic distributions and are hard to police, hence contributing to regional tensions. Ethnic Uzbeks make up sizeable minorities in the other Central Asian countries and Afghanistan. In Tajikistan, they make up almost one-quarter of the population and in Kyrgyzstan they make up over one-seventh. More ethnic Turkmen reside in Iran and Afghanistan—over 3 million—than in Turkmenistan. Sizeable numbers of ethnic Tajiks reside in Uzbekistan, and 7 million in Afghanistan. Many Kyrgyz and Tajiks live in China's Xinjiang province. The fertile

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Center for European Reform, November 2011.

<sup>42</sup> Open Source Center, *China: Daily Report*, September 7, 2013, Doc. No. CHO-51691029.

<sup>43</sup> Zara Rabinovitch, "The Influence of China and Russia in Central Asia: Ongoing Rivalry and Shifting Strategies, An Interview with Stephen Blank," National Bureau of Asian Research, April, 9, 2013, at <http://www.nbr.org/research/activity.aspx?id=329>; Stephen Blank, *Toward a New Chinese Order in Asia: Russia's Failure*, National Bureau of Asian Research, March 2011; Henrik Bergsager, *China, Russia and Central Asia: The Energy Dilemma*, Fridtjof Nansen Institute, September 2012; Robert Cutler, "China-Russia Summit Meeting Underscores Entente Over Central Asia," *CACI Analyst*, April 3, 2012.

Ferghana Valley is shared by Tajikistan, Kyrgyzstan, and Uzbekistan. The central governments have struggled to maintain control over administrative subunits. Most observers agree that the term “Central Asia” currently denotes a geographic area more than a region of shared identities and aspirations, although it is clear that the land-locked, poverty-stricken, and sparsely populated region will need more integration in order to fully develop.

On the one hand, the Central Asian states have wrangled over water-sharing, border delineation, trade and transit, and other issues:

- Tajikistan’s relations with Uzbekistan have been problematic, including disagreements about water-sharing, Uzbek gas supplies, the mining of borders, border demarcation, and environmental pollution. In July 2008, the head of the Tajik Supreme Court asserted that Uzbek security forces had bombed the Supreme Court building the previous summer as part of efforts to topple the government. In late 2010, Uzbekistan began a transit slowdown and other economic measures to pressure Tajikistan to halt building the Roghun power plant (see below, “Trade and Investment”).
- Turkmenistan’s relations with Uzbekistan and Azerbaijan have been tense. Azerbaijan and Turkmenistan have rival claims to some Caspian Sea oil and gas fields. Turkmenistan and Uzbekistan have vied for regional influence and argued over water-sharing. In 2002, the Turkmen government accused Uzbek officials of conspiring to overthrow it. Uzbekistan also objected to the treatment of ethnic Uzbeks in Turkmenistan under the previous president. In February 2014, Uzbekistan sentenced four citizens to 15-18 years in prison on charges of spying for Turkmen intelligence on water-supply, border security, and other issues.
- The Kyrgyz premier rejected claims by Karimov in 2005 that Kyrgyzstan had provided training facilities and other support for the Andijon militants (see below, “The 2005 Violence in Andijon, Uzbekistan”). Karimov again accused Kyrgyzstan in late May 2009 of harboring terrorists whom had attacked across the border. After the April 2010 coup in Kyrgyzstan, Uzbekistan tightened border controls with this country, greatly harming its economy. Conflict between ethnic Uzbeks and ethnic Kyrgyz in southern Kyrgyzstan in June 2010 further strained relations between the two countries (see below, “The 2010 Ethnic Clashes in Kyrgyzstan”). In January 2013, Kyrgyz border guards wounded five residents of the Uzbek enclave of Sokh in Kyrgyzstan’s Batken Region, bordering Uzbekistan. The residents allegedly had attempted to block an incursion into Sokh by the Kyrgyz border guards. Up to 1,000 residents then temporarily took over three dozen Kyrgyz hostage.<sup>44</sup> Kyrgyzstan closed a road from Uzbekistan to the enclave and began construction of a barbed wire fence around the enclave, and in response, Uzbekistan closed a road from Kyrgyzstan to the Kyrgyz enclave of Barak in Uzbekistan. In late July 2013, gunfire was exchanged by border troops along a section of the Kyrgyzstan-Uzbekistan border, resulting in some Uzbek casualties. Further tightening of Kyrgyzstan-Uzbekistan borders

<sup>44</sup> Open Source Center, *Central Eurasia: Daily Report* (hereafter, *CEDR*), January 7, 2013, Doc. Nos. CEP-7950026, CEP-950027, CEP-950043, CEP-950025, CEP-950014, and CEP-950005; January 9, 2012, Doc. No. CEP-950134; *Interfax*, January 6 and January 9, 2013.

ensued. However, border demarcation talks have been stepped up in 2014, apparently in an effort to ameliorate some border tensions.<sup>45</sup>

On the other hand, there have been some high-level bilateral contacts:

- The leaders of regional powers Kazakhstan and Uzbekistan have held occasional bilateral summits in recent years. In September 2012, visiting President Karimov issued a joint statement with President Nazarbayev on regional water-sharing. One observer suggested that this summit was an effort by the two major regional powers to join together to spur greater region-wide integration, including common responses to security threats such as terrorism and instability in Afghanistan.<sup>46</sup> In June 2013, visiting President Nazarbayev and President Karimov signed a strategic partnership treaty pledging both sides to develop economic, transportation, communications, military-technical, and cultural cooperation. The treaty also called for cooperation in resolving regional water sharing issues. Both leaders asserted that since they headed the leading states in the region, they needed to meet regularly to discuss regional and global cooperation. Karimov argued that the two countries are not regional economic rivals, since they have complementary natural resources and can provide for their own food and energy needs, and Uzbekistan emphasizes cotton growing while Kazakhstan emphasizes grain. He also stated that the two leaders had agreed that “any hydroelectric plants, which are planned for construction on the upstream of the [Syr Darya and Amu Darya] rivers ... must undergo an international and independent expert examination under the U.N. auspices and have to be agreed with the downstream countries.” Nazarbayev indicated interest in developing transport routes through Uzbekistan to the south.<sup>47</sup>
- Since Berdimuhamedow came to power, relations between Turkmenistan and Uzbekistan have improved. In October 2012, President Karimov visited Turkmenistan and met with President Berdimuhamedow, and the two leaders discussed boosting trade and other cooperation. They also called for region-wide talks before Tajikistan and Kyrgyzstan build dams that could affect water-sharing. President Berdimuhamedow visited Uzbekistan in late November 2013. The two leaders signed a joint declaration outlining the basic principles of bilateral cooperation. It called for jointly advocating a regional water management system. The two sides reported that they discussed enhancing security cooperation in preparation for the U.S. and NATO wind-down of operations in Afghanistan. The two leaders also met in February 2014 when both attended the Sochi Olympics. In recent months, both Kazakhstan and Tajikistan have worked more with Turkmenistan than with Uzbekistan on developing southern transport routes.

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<sup>45</sup> CEDR, January 29, 2014, Doc. No. CEL-43836597; March 2, 2014, Doc. No. CEN-37869013. Complicating the situation, most of the approximately 65,000 inhabitants of the Sokh enclave are ethnic Tajiks, and they have reportedly have suffered from some discrimination as a result of tensions in Tajikistan-Uzbekistan relations. See Farangis Najibullah, “Uzbek, Kyrgyz, And Tajik Lives Collide In Sokh,” *RFE/RL*, June 03, 2010.

<sup>46</sup> Richard Weitz, “Nazarbayev-Karimov Summit Imparts New Momentum to Kazakhstani-Uzbekistani Relations,” *Eurasia Daily Monitor*, September 14, 2012.

<sup>47</sup> CEDR, June 16, 2013, Doc. No. CEN-70043496.

Regional cooperation remains stymied by tensions among the states, despite their membership in various groups such as the Collective Security Treaty Organization (CSTO), the Shanghai Cooperation Organization (SCO), and NATO's Partnership for Peace (PFP). The Collective Security Treaty was signed by Russia, Belarus, the South Caucasus countries, and the Central Asian states (except Turkmenistan) in May 1992 and called for military cooperation and joint consultations in the event of security threats to any member. At the time to renew the treaty in 1999, Uzbekistan, Georgia, and Azerbaijan formally withdrew. The remaining members formed the CSTO in late 2002, and a secretariat opened in Moscow at the beginning of 2004. Through the CSTO, Russia has attempted to involve the members in joint efforts to combat international terrorism and drug trafficking. Although the charter of the CSTO does not mention internal or external peacekeeping functions, follow-on agreements have provided for such activities.

Neither former Kyrgyz President Akayev nor former President Bakiyev apparently requested the aid of the CSTO during the coups that overthrew them, and the CSTO has appeared inactive during other crises in the region. At a CSTO meeting in June 2010 to consider an urgent request by interim Kyrgyz President Roza Otunbayeva for troops to assist in quelling ethnic violence, a consensus could not be reached and the members only agreed to provide equipment. At a CSTO summit in December 2011, the members reportedly agreed on detailed procedures for intervening in domestic "emergency" situations within a member state at the behest of the member.<sup>48</sup> At a CSTO summit in December 2012, President Rahmon reportedly complained that although many documents had been signed over the years, there had been "no practical results."<sup>49</sup>

The SCO was established in 2001 by Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. In 2003, what is now termed the SCO Regional Counter-Terrorism Structure (RCTS) was set up in Uzbekistan. Several military and security exercises have been held. According to some reports, in recent years Russia has discouraged the holding of major SCO military exercises as well as the strengthening of economic ties within the SCO, although Moscow has been amenable to cooperation within the SCO on regional oil and gas issues.<sup>50</sup>

In late 2007, the Central Asian states prevailed on the U.N. to set up a Regional Center for Preventive Diplomacy for Central Asia (UNRCCA) to facilitate diplomatic and other cooperation to prevent internal and external threats to regional security. With its headquarters in Ashkhabad, the Center is headed by a special representative of the U.N. secretary-general. The Center was intended to take on some of the duties of the U.N. Tajikistan Office of Peace-Building, which had been established after the Tajik Civil War and was being closed. The Center's mandate includes monitoring regional threats and working together and with other regional organizations to facilitate peacemaking and conflict prevention. Priority concerns include cross-border terrorism, organized crime and drug trafficking, regional water and energy management, environmental degradation, and stabilization in Afghanistan. The Center's special representative visited Kyrgyzstan several times in the wake of the April 2010 coup to discuss U.N. aid to the interim government to ensure peace and stability. The Center has held several regional conferences on such issues as Aral Sea desiccation, water-sharing, and Afghanistan. In approving a report by the head of UNRCCA to the UNSC in January 2014, the UNSC stressed the need for further cooperation among the regional states in overcoming challenges to peace and stability, including in countering terrorism and dealing with regional water-sharing issues. They welcomed regional

<sup>48</sup> *Interfax*, December 21, 2011.

<sup>49</sup> *CEDR*, December 19, 2012, Doc. No. CEP-950108.

<sup>50</sup> Joshua Kucera, "Russia 'Increasingly Distrustful' of SCO," *Eurasianet*, March 5, 2013.



cooperation with the U.N. Counter-terrorism Implementation Task Force and UNRCCA's liaison with the U.N. Office on Drugs and Crime.

In May 2009, the OSCE established a Border Management Staff College in Dushanbe to train officers from OSCE member and partner countries, including Afghanistan.

## Islamic Extremism and Terrorism

Calls for government to be based on Sharia (Islamic law) and the Koran are supported by small but increasing minorities in most of Central Asia. Most of Central Asia's Muslims appear to support the concept of secular government, but the influence of fundamentalist Salafist and extremist Islamic groups is growing.<sup>51</sup> In particular, Central Asian leaders have pointed to the ongoing conflict against the Taliban in Afghanistan as justifying constraints on Islamic expression in their countries. They also have pointed to Tajikistan's 1992-1997 civil war, when Islamic extremism played some role, and Russia's conflict with its breakaway Chechnya region and other areas in Russia's North Caucasus as evidence of the terrorist threat. In some regions of Central Asia, such as Uzbekistan's portion of the Fergana Valley, some Uzbeks kept Islamic practices alive throughout the repressive Soviet period, and some now oppose the secular-oriented Uzbek government. Islamic extremist threats to the regimes may be fueled somewhat by economic distress among sections of the population. Heavy unemployment and poverty rates among youth in the Fergana Valley are widely cited by observers as making youth more vulnerable to recruitment into religious extremist organizations.<sup>52</sup>

Although much of the attraction of Islamic extremism in Central Asia is generated by factors such as poverty and repression, it is facilitated by groups in Afghanistan, Pakistan, Saudi Arabia, and elsewhere that provide funding, education, training, and manpower to individuals and groups in the region. Some of these ties were at least partially disrupted by the U.S.-led coalition actions in Afghanistan and the U.S. call for worldwide cooperation in combating terrorism.<sup>53</sup>

The Central Asian states impose several controls over religious freedom. All except Tajikistan forbid religious parties such as the Islamic Renaissance Party (Tajikistan's civil war settlement included the party's legalization), and maintain Soviet-era religious oversight bodies, official Muftiates, and approved clergy. The governments censor religious literature and sermons. According to some analysts, the close government religious control may leave a spiritual gulf that underground radical Islamic groups seek to fill.

Terrorist actions aimed at overthrowing regimes have been of growing concern in all the Central Asian states. Some analysts caution that many activities the regimes label as terrorist—such as hijacking, kidnapping, robbery, assault, and murder—are often carried out by individuals or groups for economic benefit or for revenge, rather than for political or religious purposes. Also, so-called counter-terrorism may mask clan or other ethnic and political repression.

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<sup>51</sup> Most Central Asian Muslims traditionally have belonged to the Sunni branch and the Hanafi school of interpretation. Islamic Sufiism has been significant, as have pre-Islamic customs such as ancestor veneration and visits to shrines.

<sup>52</sup> Ahmad Rashid, *Jihad: The Rise of Militant Islam in Central Asia*, Yale: Yale University Press, 2002; T. Jeremy Gunn, *Sociology of Religion*, Fall 2003, pp. 389-410; Pinar Akcali, *Central Asian Survey*, June 1998, pp. 267-284; Aziz Niyazi, *Religion, State & Society*, March 1998, pp. 39-50.

<sup>53</sup> Zeyno Baran, S. Frederick Starr, Svante E. Cornell, *Islamic Radicalism in Central Asia and the Caucasus: Implications for the EU*, Central Asia-Caucasus Institute, 2006.

Terrorist activities of the Islamic Movement of Uzbekistan (IMU) and similar groups in the region were at least temporarily disrupted by U.S.-led coalition actions in Afghanistan, where several of the groups were based or harbored.<sup>54</sup> Many observers, however, warn that terrorist cells have re-formed and are expanding in Central Asia and that surviving elements of the IMU and other terrorist groups are infiltrating from Afghanistan, Pakistan, and elsewhere. Ominously, the IMU and its splinter group, the Islamic Jihad Group/Union (IJU), have become even more closely allied with international terrorist groups, particularly Al Qaeda. Moreover, the IMU and IJU have expanded their activities beyond Central and South Asia to other areas of the globe.

In congressional testimony in February 2013, then-Assistant Secretary Blake stated that “we do not assess that there is an imminent Islamist militant threat to Central Asian states.” Nonetheless, he stated that the United States was providing security assistance to the regional states to address transnational threats.<sup>55</sup> However, other U.S. officials and observers have raised concerns that if the Taliban gains more influence and power in Afghanistan post-2014, the allied IMU and IJU may well also establish a greater presence in the country, from which they could expand their activities in Central Asia.<sup>56</sup>

Uzbekistan and other Central Asian states have arrested many members of Hizb ut-Tahrir (HT; Liberation Party, a politically oriented Islamic movement calling for the establishment of Sharia rule), sentencing them to lengthy prison terms or even death for pamphleteering, but HT reportedly continues to gain adherents. Uzbekistan argues that HT not only advocates terrorism and the killing of apostates but is carrying out such acts.<sup>57</sup> Kyrgyz authorities emphasize the anti-American and anti-Semitic nature of several HT statements and agree with the Uzbek government on designating the group as an illegal terrorist organization, but some prominent observers in Kyrgyzstan argue that the group is largely pacific and should not be harassed.<sup>58</sup>

## Terrorism and Conflict in Kazakhstan<sup>59</sup>

Kazakhstan long maintained that there were few terrorists within the country, but this stance began to change in late 2003 with the establishment of an Anti-Terrorist Center as part of the

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<sup>54</sup> Also, Russia’s military operations in its breakaway Chechnya region after 1999 may have helped disrupt Al Qaeda plans for Central Asia. The terrorist group was operating terrorist training camps in Chechnya in the late 1990s that it planned to use in part as launching pads for establishing new cells and camps throughout Central Asia. *Defense Intelligence [Agency] Report Details al Qaeda’s Plans for Russia, Chechnya & WMD*, Judicial Watch, Press Office, November 16, 2004. The declassified Intelligence Information Report is dated October 1998.

<sup>55</sup> U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Europe, Eurasia, and Emerging Threats and Subcommittee on Terrorism, Nonproliferation, and Trade, Hearing on Islamic Militant Threats in Eurasia, *Testimony of Robert Blake*, February 27, 2013.

<sup>56</sup> U.S. Senate, Committee on Armed Services, Hearing on Current and Future Worldwide Threats to the National Security of the United States, *Testimony by Michael Flynn, Director, Defense Intelligence Agency*, February 11, 2014; Richard Weitz, *Eurasia Awaits Post-2014 Afghan Storm*, International Relations and Security Network (ISN), December 12, 2013.

<sup>57</sup> Cheryl Bernard has argued that HT writings borrow heavily from Marxism-Leninism and rely much less on Islamic principles. HT publications have stated that the movement “has adopted the amount [of Islam] which it needs as a political party,” that the Islamic world is the last hope for establishing communism, and that terrorist acts against Western interests are appropriate. *Hizb ut Tahrir—Bolsheviks in the Mosque*, RAND Corporation, nd.

<sup>58</sup> HT literature has demanded the withdrawal of U.S.-led coalition forces and the closure of the coalition’s Manas airbase in Kyrgyzstan. *CEDR*, March 13, 2003, Doc. No. CEP -104; *CEDR*, January 7, 2003, Doc. No. CEP-91.

<sup>59</sup> For background, see CRS Report 97-1058, *Kazakhstan: Recent Developments and U.S. Interests*, by Jim Nichol.

National Security Committee. Shocking many Kazakhs, it reported the apprehension in late 2004 of over a dozen members of the IJU.

Several suicide bombings and other alleged terrorist attacks occurred in Kazakhstan in 2011. In addition, in late December 2011, energy sector workers on strike since May 2011 and others reportedly extensively damaged and burned government and other buildings and clashed with police in the town of Zhanaozen, in the Mangistau Region of Kazakhstan, resulting in 16 deaths and dozens of injuries, the government reported. Some observers alleged that there were more casualties and that the riots were triggered or exacerbated by police firing on the demonstrators (video posted on the Internet appeared to back this claim).<sup>60</sup> Protests and violence also spread to other areas of the region.

At a meeting with policemen on July 12, 2012, President Nazarbayev criticized them for not taking preventive measures against terrorism, and stated that “over 100 crimes connected with terrorism were committed in Kazakhstan in 2011-12. As a result, dozens of [terrorists and policemen] have died.... And we have to admit the fact that radical and extremist groups are putting enormous pressure on the government and society” (for what seems a different accounting of terrorist incidents, see below).<sup>61</sup> According to a Kazakh Security Council official, over 300 individuals have been convicted in Kazakhstan on charges of terrorism from 2005 to 2012.<sup>62</sup>

In late July 2012, one policeman was killed and one wounded in Almaty, and the alleged assailants later engaged in a gun battle with security forces and most were killed. In mid-August 2012, a gun battle with alleged terrorists took place in Almaty, reportedly resulting in the deaths of several alleged terrorists and the capture of others. In early September 2012, a bomb-maker blew himself up in Atyrau Region, leading police to engage in a gun battle with other members of the alleged group, killing five of them.

In November 2012, Nazarbayev called for tightening legislation to facilitate government efforts to combat terrorism, with the government explaining that the changes in law were necessitated by increasing radicalization of the population and growing terrorist incidents in the country. The bill was passed and signed into law in early January 2013. The changes included an apparently expansive definition of terrorism to include an “ideology of violence” and acts or threats aimed at influencing the government, including violence and “frightening people.”<sup>63</sup>

In February 2013, the Kazakh National Security Committee reported that law and security forces had prevented 35 violent extremist actions and neutralized 42 extremist groups in 2011-2012. However, it also reported that it had failed to avert 18 extremist actions, including 7 explosions.

In May 2013, six alleged terrorists were put on trial on charges of conspiring to commit robberies, to bomb civic sites and the National Security Committee building in Astana, and to assassinate senior officials. At the opening of the trial, the prosecutor alleged that they aimed to establish an Islamic caliphate in Kazakhstan.

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<sup>60</sup> *Striking Oil, Striking Workers: Violations of Labor Rights in Kazakhstan's Oil Sector*, Human Rights Watch, September 2012.

<sup>61</sup> CEDR, July 13, 2012, Doc. No. CEP-950108.

<sup>62</sup> CEDR, June 27, 2012, Doc. No. CEP-950051.

<sup>63</sup> CEDR, November 23, 2012, Doc. No. CEP-950005.

In early October 2013, a State Program on Counteracting Religious Extremism and Terrorism for 2013-2017 was published, which some observers warn could further restrict the dissemination of religious literature and increase monitoring of religious groups, including through the installation of video surveillance cameras in places of worship and the monitoring of students studying religion abroad.<sup>64</sup> As part of stepped-up efforts, the Spiritual Board of the Muslims of Kazakhstan set up six regional groups of Imams to monitor religious expression and encourage individuals termed Salafis to return to traditional Islam under the umbrella of the Spiritual Board.<sup>65</sup>

In November 2013, an unnamed individual was sentenced to 20 years in prison on charges of setting up and leading a terrorist group that had carried out arson and bomb attacks. In January 2014, the Interior Minister reported that the activities of three terrorist groups had been halted and 24 of their members had been arrested in 2013. He and the Prosecutor-General reported that they had confiscated thousands of copies of extremist literature and closed down dozens of extremist websites. A Kazakh draft criminal code being finalized in early 2014 calls for increased jail sentences for terrorism. In February 2014, four Kazakhstanis were put on trial on charges of traveling to Syria for terrorist training to fight against the Syrian government.

### **Incursions and Violence in Kyrgyzstan<sup>66</sup>**

Several hundred Islamic extremists and others harboring in Tajikistan and Afghanistan first invaded Kyrgyzstan in July-August 1999. Jama Namanganiy, the co-leader of the Islamic Movement of Uzbekistan (IMU; see below), headed the largest guerrilla group. They seized hostages and several villages, allegedly seeking to create an Islamic state in south Kyrgyzstan as a springboard for a jihad in Uzbekistan.<sup>67</sup> With Uzbek and Kazakh air and other support, Kyrgyz forces forced the guerrillas out in October 1999. Dozens of IMU and other insurgents again invaded Kyrgyzstan and Uzbekistan in August 2000. Uzbekistan provided air and other support, but Kyrgyz forces were largely responsible for defeating the insurgents by late October 2000. The IMU did not invade the region in the summer before September 11, 2001, in part because Osama bin Laden had secured its aid for a Taliban offensive against the Afghan Northern Alliance.

About a dozen alleged IMU members invaded from Tajikistan in May 2006 but soon were defeated (some escaped). After this, the Kyrgyz defense minister claimed that the IMU, HT, and other such groups increasingly menaced national security.

### ***The 2010 Ethnic Clashes in Kyrgyzstan***

Deep-seated tensions between ethnic Kyrgyz and ethnic Uzbeks in southern Kyrgyzstan erupted on June 10-11, 2010. Grievances included perceptions among some ethnic Kyrgyz in the south that ethnic Uzbeks controlled commerce, discontent among some ethnic Uzbeks that they were excluded from the political process, and views among many Bakiyev supporters in the south that ethnic Uzbeks were supporting their opponents. The fighting over the next few days resulted in an

<sup>64</sup> Joanna Lillis, "Kazakhstan: Astana Mulls Expansion of Anti-Terror Controls," *Eurasianet*, June 19, 2013.

<sup>65</sup> *CEDR*, October 2, 2013, Doc. No. CEL-54764765.

<sup>66</sup> For background, see CRS Report 97-690, *Kyrgyzstan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>67</sup> According to Zeyno Baran, S. Frederick Starr, and Svante Cornell, the incursions of the IMU into Uzbekistan and Kyrgyzstan in 1999 and 2000 were largely driven by efforts to secure drug trafficking routes. *Islamic Radicalism in Central Asia and the Caucasus: Implications for the EU*, Silk Road Paper, July 2006.

official death toll of 426 (of which 276 were ethnic Uzbeks and 105 were ethnic Kyrgyz) and over 2,000 injuries. The violence also resulted in an initial wave of 400,000 refugees and IDPs and the destruction of thousands of homes and businesses in Osh and Jalal-abad.

Although critical of the Kyrgyz government, Uzbekistan did not intervene militarily or permit its citizens to enter Kyrgyzstan to join in the June fighting (according to some reports, the Uzbek government had considered military intervention). After some hesitation, the Uzbek government permitted 90,000 ethnic Uzbeks to settle in temporary camps in Uzbekistan. Virtually all had returned to Kyrgyzstan by the end of June.<sup>68</sup>

International donors meeting in Bishkek on July 27, 2010, pledged \$1.1 billion in grants and loans to help Kyrgyzstan recover from the June violence. The United States pledged \$48.6 million in addition to FY2010 and FY2011 planned aid. In addition, the United States provided \$4.1 million in humanitarian assistance to Kyrgyzstan immediately after the April and June events.<sup>69</sup>

On January 10, 2011, a Kyrgyz commission issued its findings on the causes of the June 2010 violence in southern Kyrgyzstan between ethnic Kyrgyz and ethnic Uzbeks. The report largely blamed ethnic Uzbek “extremists” and some supporters of former Kyrgyz President Kurmanbek Bakiyev for fomenting the violence. The report also blamed interim government officials of ineptness in dealing with the escalating ethnic tensions. On May 2, 2011, an international commission formed under the leadership of Kimmo Kiljunen, the Special Representative for Central Asia of the OSCE Parliamentary Assembly, released its report of findings regarding the June 2010 violence. The commission concluded that the Kyrgyz provisional government failed to adequately provide security and leadership to stifle rising tensions and incidents in May or to minimize the effects of the June ethnic violence. The commission also raised concerns that security forces were directly or indirectly complicit in the violence (according to the commission, most police, military, and other security personnel are ethnic Kyrgyz). The commission called for the Kyrgyz government to condemn ultra-nationalism and proclaim that the state is multi-national, promote gender equality, provide special rights for Uzbek language use in the south, train security forces to uphold human rights and not subvert state interests through parochial loyalties, impartially investigate and prosecute those responsible for the violence, establish a truth and reconciliation commission, and provide reparations.<sup>70</sup> The Kyrgyz government has rejected the finding that security forces were complicit in the violence, continued to blame the former Bakiyev regime and Islamic extremists for fomenting the clashes, and stated that ethnic Uzbeks shared substantial blame for committing human rights abuses.

### ***Attacks by Jama'at Kyrgyzstan Jaish al-Mahdi in 2010-2011***

According to Kyrgyz security authorities, Jamaat Kyrgyzstan Jaish al-Mahdi (Kyrgyz Army of the Righteous Ruler), an ethnic Kyrgyz terrorist group, bombed a synagogue and sports facility

<sup>68</sup> UNHCR, *Final Report on UNHCR Emergency Operations in the Republic of Uzbekistan*, July 23, 2010.

<sup>69</sup> U.S. Department of State, Office of the Spokesman, *United States Announces Additional Support for Kyrgyz Republic*, July 27, 2010; U.S. Embassy, Bishkek, *Opening Statement by Daniel Rosenblum, Coordinator of U.S. Assistance to Europe and Eurasia and Tatiana Gfoeller, U.S. Ambassador to the Kyrgyz Republic: High-Level Donors Meeting, “Emergency Response to the Kyrgyz Republic, Reconciliation and Recovery,”* July 27, 2010; Commission on Security and Cooperation in Europe, *Hearing on Instability in Kyrgyzstan: The International Response, Testimony of Robert O. Blake*, July 27, 2010.

<sup>70</sup> OSCE, *Report of the Independent International Commission of Inquiry into the Events in Southern Kyrgyzstan in June 2010*, May 2, 2011.

and attempted to bomb a police station in late 2010, and killed three policemen in early 2011. The group also allegedly planned to attack the U.S. embassy and U.S. military Manas “transit center.” Kyrgyz security forces reportedly killed or apprehended a dozen or more members of the group, including its leader, in January 2011. Ten alleged members of the group were put on trial in May 2011. At least some group members allegedly had received training by the Caucasus Emirate terrorist group in Russia, but also in late 2010 the group reportedly pledged solidarity with the Taliban.

## **Terrorism and Conflict in Tajikistan**<sup>71</sup>

### *The 1992-1997 Civil War in Tajikistan*

Tajikistan was among the Central Asian republics least prepared and inclined toward independence when the Soviet Union broke up. In September 1992, a loose coalition of nationalist, Islamic, and democratic parties and groups tried to take power. Kulyabi and Khojenti regional elites, assisted by Uzbekistan and Russia, launched a successful counteroffensive that by the end of 1992 had resulted in 20,000-40,000 casualties and up to 800,000 refugees or displaced persons, about 80,000 of whom fled to Afghanistan. After the two sides agreed to a cease-fire, the U.N. Security Council established a small U.N. Mission of Observers in Tajikistan (UNMOT) in December 1994. In June 1997, Tajik President Rahmon and the late rebel leader Seyed Abdullo Nuri signed a *comprehensive peace agreement*. Benchmarks of the peace process were largely met, and UNMOT pulled out in May 2000. To encourage the peace process, the United States initially pledged to help Tajikistan rebuild. Some observers point to events in the city of Andijon in Uzbekistan (see “The 2005 Violence in Andijon, Uzbekistan” below) as indicating that conflicts similar to the Tajik Civil War could engulf other regional states where large numbers of people are disenfranchised and poverty-stricken.

### *The 2010-2011 Attacks in Tajikistan*

In late August 2010, over two dozen individuals sentenced as terrorists escaped from prison in Dushanbe and launched attacks as they travelled to various regions of the country. Many of these individuals had been opposition fighters during the Tajik Civil War and had been arrested in eastern Tajikistan during government sweeps in 2009. In early September 2010, a suicide car bombing resulted in over two dozen deaths or injuries among police in the northern city of Khujand. An obscure terrorist group, Jamaat Ansarullah, allegedly the Tajik branch of the IMU, claimed responsibility. Some escapees and their allies, allegedly including IMU terrorists, attacked a military convoy in the Rasht Valley (formerly known as Karategin) east of Dushanbe on September 19, 2010, reportedly resulting in dozens of deaths and injuries to government forces. Heavy fighting in the Rasht Valley over the next month reportedly led to dozens of additional casualties among government forces.

In early January 2011, the Tajik Interior (police) Ministry reported that its forces had killed former Tajik opposition fighter Alovuddin Davlatov, alias Ali Bedaki, the alleged leader of one major insurgent group involved in the ambush in the Rasht Valley. Another leader of the ambush, Abdullo Rakhimov, aka Mullo Abdullo—a former Tajik opposition paramilitary leader who spurned the peace settlement and travelled to Afghanistan and Pakistan, where he allegedly

<sup>71</sup> For background, see CRS Report 98-594, *Tajikistan: Recent Developments and U.S. Interests*, by Jim Nichol.

maintained links with al Qaeda and the Taliban, and who reentered Tajikistan in 2009—was reportedly killed by Tajik security forces on April 15, 2011.<sup>72</sup>

### *The 2012 Instability in Mountainous Badakhshan*

On July 21, 2012, a national security official, General Abdullo Nazarov, was killed near the city of Khorog, the capital of the Mountainous Badakhshan Autonomous Region in eastern Tajikistan. According to some reports, the region is a major transit point for drugs and other goods trafficked from Afghanistan and for weapons and money smuggled to terrorist groups in Afghanistan. The government responded by launching security operations to force the local “criminal group” to surrender. The government asserted that the “criminals” were led by Tolib Ayembekov, a former UTO fighter who was the head of an Interior Ministry border guard troops unit in the Ishkohim District (Khorog is in this district), bordering Afghanistan. The government also alleged that the “criminals” had ties with organized crime groups throughout the world, and were linked to members of the IMU, who were infiltrating from Afghanistan to support the “criminals.”<sup>73</sup> Ayembekov denied that he was responsible for Nazarov’s death. Over 3,000 security personnel entered Khorog on July 24, and subsequent fighting resulted in 17 casualties among the security personnel and 30 among the alleged “criminals,” according to the government. Forty-one surviving “criminals” were arrested. Although the government officially acknowledged only one civilian casualty, some observers reported that dozens of civilians had been killed or injured. Among the forces deployed to the region were extra border guards who sealed the Tajik-Afghan border to prevent the Tajik “criminals” from escaping across the border or receiving assistance from groups in Afghanistan. Some information about the fighting leaked out of the region despite the “accidental” severing of Internet and cell phone connections to the region. The government declared a unilateral ceasefire the next day. On July 26, 2012, the U.S. Embassy raised concerns about reports of civilian casualties and urged the government not to suppress media reporting in the region. In early August 2012, Ayembekov pledged fealty to the Rahmon government and readiness to prove his innocence in a court of law.

The ceasefire was broken by the government early on August 22, when unidentified assailants attacked the home of a popular former UTO fighter, the invalid Imomnazar Imomnazarov, and killed him. His death led some protesters to attack the administration building in Khorog a few hours later, and police allegedly fired at them, injuring three. A large memorial service for Imomnazarov was held the next day in Khorog. A ceasefire agreement was reached between the government and local officials and prominent citizens later that evening. In accordance with the agreement, some security personnel subsequently were withdrawn from the city, but many have stayed in the region to prepare for a visit by Rahmon in late September 2012.

Some observers have questioned the Tajik government’s official explanations of events in Khorog. One local commentator has argued that General Nazarov was acting at the behest of a group in the Tajik security service to seize control over lucrative smuggling operations or otherwise was involved in extorting money.<sup>74</sup> A think tank in Dushanbe asserted that the Tajik

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<sup>72</sup> Lola Olimova and Nargis Hamrabaeva, “Tajik Authorities Struggle to Quell Militants,” *Report News: Central Asia*, Institute for War and Peace Reporting, October 4, 2010; Tilav Rasulzoda and Parvina Khamidova, “New Militant Force in Tajikistan?” *Report News: Central Asia*, Institute for War and Peace Reporting, October 21, 2010; *CEDR*, January 12, 2011, Doc. No. CEP-950136; Dilafruz Nabiyeva, “Mullo Abdullo Killed,” *Central Asia Online*, April 15, 2011.

<sup>73</sup> *CEDR*, August 8, 2012, Doc. No. CEP-950127.

<sup>74</sup> *CEDR*, August 25, 2012, Doc. No. CEP-950018; Sébastien Peyrouse, “Battle on Top of the World: Rising Tensions (continued...)”

government deployed security forces in the region after Ayembekov threatened to enlist up to 1,000 terrorists massed across the border in Afghanistan to help him if the government moved to arrest him.<sup>75</sup> Several accounts have suggested by many residents of Khorog had taken up arms on July 24 in opposition against the deployment of security forces. Accusations that Ayembekov was a “criminal” must be squared with the fact that Khorog is the location of the regional Border Guard Training Center, where the International Organization for Migration has used State Department funding to carry out training for Tajik and Afghan border guards, including on-site at regional border posts. Seeming to refer to this situation, then-Assistant Secretary Blake in August 2012 stated that the United States supports Tajik government efforts in the region “to address some of the corrupt activities of their own border guards and others who are helping to facilitate some of this [narcotics] trade.”<sup>76</sup>

Other observers have speculated that at least part of the reason for the government actions in Mountainous Badakhshan may have been to secure the loyalty of regional officials in the run-up to presidential elections held in early November 2013. During the deployment of security forces to the region, the regional IRP head was detained and later found dead, a regional IRP office was sacked, and another IRP official was detained and transferred to Dushanbe. Before he was killed, Imomnazarov speculated that Nazarov had falsely reported to his superiors that the UTO fighters were planning to launch a coup against Rahmon, and that this was the main cause of the government security actions.

### **Terrorism and Conflict in Uzbekistan<sup>77</sup>**

Officials in Uzbekistan believe that the country is increasingly vulnerable to Islamic extremism, and they have been at the forefront in Central Asia in combating this threat. Reportedly, thousands of alleged Islamic extremists have been imprisoned and many mosques have been closed. A series of explosions in Tashkent in February 1999 were among early signs that the Uzbek government was vulnerable to terrorism. By various reports, the explosions killed 16 to 28 and wounded 100 to 351 people. The aftermath involved wide-scale arrests of political dissidents and others deemed by some observers as unlikely conspirators. Karimov in April 1999 accused Mohammad Solikh (former Uzbek presidential candidate and head of the banned Erk Party) of masterminding what he termed an assassination plot, along with Tohir Yuldashev (co-leader of the IMU) and the Taliban. In 2000, Yuldashev and Namanganiy received death sentences in absentia, and Solikh received a 15.5 year prison sentence. Solikh denied membership in IMU, and he and Yuldashev denied involvement in the bombings.

On March 28 through April 1, 2004, a series of suicide bombings and other attacks were launched in Uzbekistan, reportedly killing 47. An obscure Islamic Jihad Group of Uzbekistan (IJG; Jama’at al-Jihad al-Islami, a breakaway part of the IMU) claimed responsibility.<sup>78</sup> In subsequent trials, the alleged attackers were accused of being members of IJG or of Hizb ut-Tahrir (HT; an Islamic

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in Tajikistan’s Pamir Region,” *On Wider Europe*, German Marshall Fund, August 2012.

<sup>75</sup> *Interfax*, August 3, 2012.

<sup>76</sup> U.S. Department of State, *On-the-Record Briefing With International Media*, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, Almaty, Kazakhstan, August 15, 2012.

<sup>77</sup> For background, see CRS Report RS21238, *Uzbekistan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>78</sup> The IJG changed its name to the Islamic Jihad Union (IJU) in 2005.



fundamentalist movement ostensibly pledged to peace but banned in Uzbekistan) and of attempting to overthrow the government. Some defendants testified that they were trained by Arabs and others at camps in Kazakhstan and Pakistan. They testified that Najmiddin Kamolitdinovich Jalolov (convicted in absentia in 2000) was the leader of IJG, and linked him to Taliban head Mohammad Omar, Uighur extremist Abu Mohammad, and Osama bin Laden. On July 30, 2004, explosions occurred at the U.S. and Israeli embassies and the Uzbek Prosecutor-General's Office in Tashkent. The IMU and IJG claimed responsibility and stated that the suicide bombings were aimed against Uzbek and other "apostate" governments.<sup>79</sup>

### *The 2005 Violence in Andijon, Uzbekistan*

Dozens or perhaps hundreds of civilians were killed or wounded on May 13, 2005, after Uzbek troops fired on demonstrators in the eastern town of Andijon. The protestors had gathered to demand the end of a trial of local businessmen charged with belonging to an Islamic terrorist group. The night before, a group stormed a prison where those on trial were held and released hundreds of inmates. Many freed inmates then joined others in storming government buildings.<sup>80</sup> President Karimov flew to the city to direct operations, and reportedly had restored order by late on May 13.<sup>81</sup> On July 29, 439 people who had fled from Uzbekistan to Kyrgyzstan were airlifted to Romania for resettlement processing, after the United States and others raised concerns that they might be tortured if returned to Uzbekistan.<sup>82</sup>

The United States and others in the international community repeatedly called for an international inquiry into events in Andijon, which the Uzbek government rejected as violating its sovereignty. In November 2005, the EU Council approved a visa ban on 12 Uzbek officials it stated were "directly responsible for the indiscriminate and disproportionate use of force in Andijon and for the obstruction of an independent inquiry." The Council also embargoed exports of "arms, military equipment, and other equipment that might be used for internal repression."<sup>83</sup> In October 2007 and April 2008, the EU Council suspended the visa ban for six months but left the arms

<sup>79</sup> See also CRS Report RS21818, *The 2004 Attacks in Uzbekistan: Context and Implications for U.S. Interests*, by Jim Nichol.

<sup>80</sup> There is a great deal of controversy about whether this group contained foreign-trained terrorists or was composed mainly of the friends and families of the accused and other disgruntled citizenry. See U.S. Congress, Commission on Security and Cooperation in Europe, Briefing: The Uzbekistan Crisis, *Testimony of Galima Bukharbayeva, Correspondent. Institute for War and Peace Reporting*, June 29, 2005. A declassified Defense Intelligence Agency memorandum prepared soon after the events stated that "no credible information indicates extremist groups participated in the attacks," but stressed that evidence was not definitive on this point. See *Uzbekistan: Review of Information on Unrest in Andijon, 12-13 May 2005*, Info Memo, 5-0549/DR, July 30, 2005 (the memo is part of the Rumsfeld Archive, see below). For alternative views on terrorist involvement and casualties, see Shirin Akiner, *Violence in Andijon, 13 May 2005: An Independent Assessment*, Central Asia-Caucasus Institute, July 2005; AbduMannob Polat, *Reassessing Andijan: The Road to Restoring U.S.-Uzbek Relations*, Jamestown Foundation, June 2007; Scott Radnitz, *Weapons of the Wealthy* (Ithaca: Cornell University Press, 2010), p. 172-176; Donald Rumsfeld, *Known and Unknown* (New York: Penguin Group Publishers, 2011) (the book's references include an Internet archive of memos and other documents). See also James Kirchick, "Did Donald Rumsfeld Whitewash Massacre in Uzbekistan?" *RFE/RL*, May 13, 2011.

<sup>81</sup> Analyst Adeeb Khalid draws a parallel between the Uzbek government's actions at Andijon and at a large student demonstration in Tashkent in January 1992. In the latter case, Karimov allegedly ordered troops to fire on the marchers, resulting in up to six deaths and two dozen or more injuries. *Islam After Communism* (Berkeley, CA: University of California Press, 2007), p. 155. See also *Reuters*, January 17, 1992.

<sup>82</sup> See also CRS Report RS22161, *Unrest in Andijon, Uzbekistan: Context and Implications*, by Jim Nichol.

<sup>83</sup> Council of the European Union, *Uzbekistan: Council Adopts Restrictive Measures*, Press Release 14392/05, November 14, 2005. U.S. officials argued that the United States already had been limiting military assistance—at congressional request—because of human rights abuses.

embargo in place. In October 2008, the EU Council praised what it viewed as some positive trends in human rights in Uzbekistan and lifted the visa ban, although it left the arms embargo in place.<sup>84</sup> In October 2009, it lifted the arms embargo.

At the first major trial of 15 alleged perpetrators of the Andijon unrest in late 2005, the accused all confessed and asked for death penalties. They testified that they were members of Akramiya, a branch of HT launched in 1994 by Akram Yuldashev that allegedly aimed to use force to create a caliphate in the area of the Fergana Valley located in Uzbekistan. Besides receiving assistance from HT, Akramiya was alleged to receive financial aid and arms training from the IMU. The defendants also claimed that the U.S. and Kyrgyz governments helped finance and support their effort to overthrow the government, and that international media colluded with local human rights groups and nongovernmental organizations (NGOs) in this effort. The U.S. and Kyrgyz governments denied involvement, and many observers criticized the trial as appearing stage-managed. Partly in response to events at Andijon, the U.S. Congress tightened conditions on aid to Uzbekistan.

### *The Summer 2009 Suicide Bombings and Attacks in Uzbekistan*

On May 25-26, 2009, a police checkpoint was attacked on the Kyrgyz-Uzbek border, attacks took place in the border town of Khanabad, and four bombings occurred in Andijon in the commercial district, including at least one by suicide bombers. Several deaths and injuries were alleged, although reporting was suppressed. Uzbek officials blamed the IMU, although the IJU allegedly claimed responsibility. President Karimov flew to Andijon on May 31. In late August 2009, shooting took place in Tashkent that resulted in the deaths of three alleged IMU members and the apprehension of other group members. The Uzbek government alleged that the group had been involved in the 1999 explosions and in recent assassinations in Tashkent.

## **U.S. Designation of the IMU and IJU as Terrorist Organizations**

In September 2000, the State Department designated the IMU as a Foreign Terrorist Organization, stating that the IMU, aided by Afghanistan's Taliban and by Al Qaeda, resorted to terrorism, actively threatened U.S. interests, and attacked American citizens. At that time, the State Department argued that the "main goal of the IMU is to topple the current government in Uzbekistan," and it linked the IMU to bombings and attacks on Uzbekistan in 1999-2000.

Former CIA Director Porter Goss testified in March 2005 that the IJG/IJU "has become a more virulent threat to U.S. interests and local governments."<sup>85</sup> In May 2005, the State Department designated the IJG/IJU as a Foreign Terrorist Organization and Specially Designated Global Terrorist, and in June, the U.N. Security Council added the IJG/IJU to its terrorism list.<sup>86</sup> In June

<sup>84</sup> Council of the European Union, 2824<sup>th</sup> General Affairs Council Meeting, *Press Release*, October 15-16, 2007; 2864<sup>th</sup> and 2865<sup>th</sup> General Affairs and External Relations Council Meetings, *Press Release*, April 29, 2008; 2897<sup>th</sup> General Affairs and External Relations Council Meeting, *Press Release*, October 13, 2008. Some international human rights groups protested against a visit by the head of the Uzbek state security service—who had been subject to the visa ban lifted by the Council—to Germany in late October 2008. He reportedly advised German officials on IJU activities in Central Asia.

<sup>85</sup> U.S. Senate, Committee on Armed Services, *Testimony of the Director of Central Intelligence, The Honorable Porter J. Goss*, March 17, 2005.

<sup>86</sup> U.S. Department of State, *Press Statement: U.S. Department of State Designates the Islamic Jihad Group Under* (continued...)

2008, IJG head Jalolov and his associate Suhayl Fatilloevich Buranov were added to the U.N. 1267 Sanctions Committee's Consolidated List of individuals and entities associated with bin Laden, al Qaeda, and the Taliban. Also, the U.S. Treasury Department ordered that any of their assets under U.S. jurisdiction be frozen and prohibited U.S. citizens from financial dealings with the terrorists.<sup>87</sup>

After U.S. military operations began in Afghanistan in late 2001, IMU forces assisting the Taliban and Al Qaeda suffered major losses, and IMU co-head Namanganiy was killed.<sup>88</sup> Surviving IMU forces moved to Pakistan, and became heavily involved in actions against the Pakistani government, although some IMU fighters later resumed attacks on coalition forces in Afghanistan.<sup>89</sup>

IMU head Yuldashev reportedly was killed in late August 2009 in Pakistan by a U.S. drone missile, and Jalalov allegedly similarly was killed in late September 2009. After Yuldashev's death, Abu Usman Adil became the head of the IMU. The IMU military commander, Abbas Mansur, allegedly was killed in a U.S. drone strike in 2011. In April 2012, Adil reportedly was similarly killed, and was succeeded by Usman Ghazi some months later. Ghazi, a non-Uzbek, has focused the IMU on attacking Afghanistani and Pakistani government targets, possibly lessening its immediate threat to Central Asia, according to some observers.<sup>90</sup> However, as mentioned above, U.S. officials and others have raised concerns that the IMU and other terrorist groups may re-focus on Central Asia after the U.S. and NATO drawdown in Afghanistan in 2014.

In July 2011, an Uzbek citizen on an expired student visa was arrested on charges of being directed by IMU terrorists to assassinate President Obama. He confessed and was sentenced in 2012. Two other ethnic Uzbeks were arrested in the United States in early 2012 on charges of collaborating with the IJU. One of the Uzbeks had been granted refugee status after he fled the Uzbek government crackdown in Andijon in 2005. He was arrested at a U.S. airport while allegedly planning to join IJU terrorists abroad.

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*Executive Order 13224*, May 26, 2005; U.N. Security Council, The Al-Qaida and Taliban Sanctions Committee, *Press Release: Security Council Committee Adds One Entity to Al-Qaida Section of Consolidated List*, SC/8405, June 3, 2005.

<sup>87</sup> U.S. Department of the Treasury, *Press Release: Treasury Designates Leadership of the IJU Terrorist Group*, June 18, 2008.

<sup>88</sup> U.S. Department of State, *Patterns of Global Terrorism 2003*, April 2004.

<sup>89</sup> Jacob Zenn, "The Growing Alliance between Uzbek Extremists and the Pakistani Taliban," *Terrorism Monitor*, Jamestown Foundation, March 8, 2013; U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Europe, Eurasia and Emerging Threats and the Subcommittee on Terrorism, Non-proliferation, and Trade, Hearing on Islamist Militant Threats to Eurasia, *Testimony of Justin Siberell, Deputy Coordinator for Counterterrorism*, U.S. Department of State, February 27, 2013.

<sup>90</sup> Jacob Zenn, "IMU Announces Usman Ghazi as New Amir after Months of Deliberation," *Militant Leadership Monitor*, Jamestown Foundation, August 21, 2012; Christopher Anzalone, "The Islamic Movement of Uzbekistan: Down but Not Out," *Foreign Policy*, November 20, 2012; Joshua Kucera, "What are the IMU's Designs in Central Asia?" *Eurasianet*, December 11, 2012. However, U.S. Colonel Ted Donnelly has argued that after U.S. and NATO forces are drawn down in Afghanistan in 2014, the Fergana Valley could become a focus for operations by the IMU and other terrorist groups. See *Fergana as FATA [Federally Administered Tribal Areas]? A Post-2014 Strategy for Central Asia*, U.S. Army War College, Master's Thesis, March 2012. For actions by the IMU, Taliban, and the Haqqani group in Afghanistan's Badakhshan Province, see Bill Roggio, "Afghan Intel Captures 2 IMU Fighters in Kabul," *Long War Journal*, November 5, 2013.

## Democratization and Human Rights

A major goal of U.S. policy in Central Asia has been to foster the long-term development of democratic institutions and respect for human rights. Particularly since September 11, 2001, the United States has attempted to harmonize its concerns about democratization and human rights in the region with its interests in regional support for counter-terrorism. According to some allegations, the former Bush Administration may have sent suspected terrorists in its custody to Uzbekistan for questioning, a process termed “extraordinary rendition.”<sup>91</sup> Although not verifying such transfers specifically to Uzbekistan, the former Bush Administration stated that it received diplomatic assurances that transferees would not be tortured. Several citizens of Central Asian states who were held in U.S. custody at the Guantanamo Bay Naval Base have been returned to their home countries.<sup>92</sup>

All of the Central Asian leaders have declared that they are committed to democratization. During Nazarbayev’s 1994 U.S. visit, he and then-President Clinton signed a Charter on Democratic Partnership that recognized Kazakhstan’s commitments to the rule of law, respect for human rights, and economic reform. During his December 2001 and September 2006 visits, Nazarbayev repeated these pledges in joint statements with then-President Bush. In March 2002, a U.S.-Uzbek Strategic Partnership Declaration was signed pledging Uzbekistan to “intensify the democratic transformation” and improve freedom of the press. During his December 2002 U.S. visit, Tajikistan’s President Rahmon pledged to “expand fundamental freedoms and human rights.”

Despite such democratization pledges, the states have made little progress, according to the State Department. In testimony in May 2011, then-Assistant Secretary Blake stated that leaders in Central Asia “are suspicious of democratic reforms, and with some exceptions have maintained tight restrictions on political, social, religious, and economic life in their countries.... Kyrgyzstan has been the primary exception in Central Asia. The democratic gains recently made in Kyrgyzstan ... are cause for optimism.”<sup>93</sup>

During the 1990s and early 2000s, almost all the leaders in Central Asia held onto power by orchestrating extensions of their terms, holding suspect elections, eliminating possible contenders, and providing emoluments to supporters and relatives (the exception was the leader of Tajikistan, who had been ousted in the early 1990s during a civil war). After this long period of leadership stability, President Askar Akayev of Kyrgyzstan was toppled in a coup in 2005, and President Niyazov of Turkmenistan died in late 2006, marking the passing of three out of five

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<sup>91</sup> *The New Yorker*, February 14, 2005; *New York Times*, May 1, 2005; *New York Times*, December 31, 2005; Representative Edward Markey, *Congressional Record*, December 13, 2005, p. H11337; European Parliament, Temporary Committee on the Alleged Use of European Countries by the CIA for the Transport and Illegal Detention of Prisoners, *Draft Interim Report*, 2006/2027(INI), April 24, 2006, and *On the Testimony by Craig Murray, Former British Ambassador*, Working Document No. 5, June 1, 2006; Craig Murray, *Murder in Samarkand* (Edinburgh: Mainstream Publishing, 2006).

<sup>92</sup> House Committee on Foreign Affairs, Subcommittee on International Organizations, Human Rights, and Oversight, Hearing: City on the Hill or Prison on the Bay? The Mistakes of Guantanamo and the Decline of America’s Image, May 6, 2008; Hearing: Rendition and the Department of State, June 10, 2008. At least three Tajiks returned to Tajikistan from Guantanamo were then tried and imprisoned on charges of belonging to al Qaeda or the IMU.

<sup>93</sup> Commission on Security and Cooperation in Europe, Hearing on Central Asia and the Arab Spring: Growing Pressure For Human Rights? *Testimony of Robert Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs*, May 11, 2011.

Soviet-era regional leaders from the scene. Soviet-era leaders Nazarbayev and Karimov remain in power, and Tajikistan has been headed since the civil war by Rahmon, the Soviet-era head of a state farm.

Possible scenarios of political futures in Central Asia have ranged from continued rule in most of the states by elite groups that became ensconced during the Soviet era to violent transitions to Islamic fundamentalist rule. Peaceful transitions to more or less democratic political systems have not occurred and appear unlikely for some time to come (although the peaceful October 2011 Kyrgyz presidential election may offer some hope; see below). While some observers warn that Islamic extremism could increase dramatically in the region, others discount the risk that the existing secular governments soon could be overthrown by Islamic extremists.<sup>94</sup>

In the case of the three succession transitions so far, Tajikistan's resulted in a shift in the Soviet-era regional/clan elite configuration and some limited inclusion of the Islamic Renaissance Party. Perhaps worrisome, Tajik President Rahmon has written a "spiritual guide" reminiscent of the one penned by Turkmenistan's late authoritarian president Niyazov, and has given orders on how citizens should live and dress. In Turkmenistan, it appears that Soviet-era elites have retained power following Niyazov's death and have eschewed meaningful democratization. Kyrgyzstan's transition after Akayev's 2005 ouster appeared to involve the gradual increase in influence of southern regional/clan ethnic Kyrgyz elites linked to Bakiyev until April 2010, when northern regional/clan ethnic Kyrgyz elites reasserted influence by ousting then-President Bakiyev. An interim president held office until an election was held on October 30, 2011, the first contested electoral transfer of power in Central Asia. This election was won by Almazbek Atambayev, who represents northern interests (see below).<sup>95</sup>

## Recent Political Developments in Kazakhstan<sup>96</sup>

In November 2012, an appeals court upheld the 7.5 year prison sentence handed down in October to the head of the unregistered Alga opposition party, Vladimir Kozlov, convicted on charges that he organized the Zhanaozen riots as part of a coup attempt against Nazarbayev. The U.S. Ambassador to the Permanent Council of the OSCE, Ian Kelly, raised concerns that the case was used to silence a leading oppositionist and stated that the irregularities of the trial "casts serious doubts on [Kazakhstan's] respect for human rights, fundamental freedoms, and the rule of law." He also correctly predicted that the charge of "inciting social hatred" against Kozlov could be used to prosecute other oppositionists, civil society organizations, and members of the media.<sup>97</sup> On December 21, 2012, the Alga Party was banned as an extremist organization by the Almaty

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<sup>94</sup> Analyst Adeeb Khalid argues that the elites and populations of the regional states still hold many attitudes and follow many practices imposed during the Soviet period of rule. This "Sovietism" makes it difficult for either Islamic extremism or democratization to make headway, he suggests. Khalid, p. 193. For a perhaps more troubling view of the threat of Islamic extremism, see above, "Overview of U.S. Policy Concerns."

<sup>95</sup> For background on political developments, see CRS Report 97-1058, *Kazakhstan: Recent Developments and U.S. Interests*, by Jim Nichol; CRS Report 97-690, *Kyrgyzstan: Recent Developments and U.S. Interests*, by Jim Nichol; CRS Report 98-594, *Tajikistan: Recent Developments and U.S. Interests*, by Jim Nichol, CRS Report 97-1055, *Turkmenistan: Recent Developments and U.S. Interests*, by Jim Nichol, and CRS Report RS21238, *Uzbekistan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>96</sup> For background, see CRS Report 97-1058, *Kazakhstan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>97</sup> U.S. Department of State, *Ambassador Kelly on Sentencing of Vladimir Kozlov in Kazakhstan*, 11 October 2012.

district court, silencing what one observer has characterized as the main opposition party in the country.<sup>98</sup> Kozlov remains imprisoned.

In November 2012, the Kazakh General Prosecutor's Office recommended the closure of most opposition media on the grounds that they contained calls for the violent overthrow of the government and otherwise undermined national security. Courts quickly ruled that these media were "extremist," reportedly without substantial evidence, and ordered their closure. Reporters Without Borders has set up some Internet sites for several of the banned media.<sup>99</sup>

A new holiday was celebrated on December 1, 2012, entitled "Day of the First President," to celebrate President Nazarbayev's rule. Some commentators in Kazakhstan speculated that this holiday was established to further consolidate presidential power and quell dissenting views.<sup>100</sup>

In April 2013, the European Parliament approved a resolution decrying the deterioration of human rights in Kazakhstan since the Zhanaozen disturbance. The resolution "strongly criticized" court decisions to ban the Alga Party and independent media, urged the release of political prisoners, and called for easing restrictions on the registration and practice of religion.

In October 2013, President Nazarbayev issued a statement that he intends to stay in office, and plans to run in the 2016 presidential election.

According to the Institute for War and Peace Reporting, an NGO, independent media have faced increasing restrictions on their operations, including fines and orders to temporarily suspend publication. One newspaper that had just published its first issue allegedly was fined for not appearing regularly. Some cases involve suspension of publication for not printing as many copies as set forth in the registration documents or for altering their publishing schedule. Some observers claim that the restrictions are politically motivated, including because the publications had carried articles critical of the government or presenting viewpoints not favored by the government.<sup>101</sup>

## Recent Political Developments in Kyrgyzstan<sup>102</sup>

On October 3, 2012, the leader of the Ata-Jurt Party and former presidential candidate Kamchybek Tashiyev, along with fellow party members and legislators Sadyr Japarov and Talant Mamytov, addressed a group of about 800 protesters outside the legislative building in Bishkek. According to some accounts, they allegedly urged the demonstrators to storm the legislature to demand that it nationalize the Kumtor gold mine run by Canada's Centerra Gold firm. If the legislature did not act, they reportedly warned, its members would be forcibly dispersed.<sup>103</sup> After initially breaking into the legislative building, the protesters were repulsed by police, who later

<sup>98</sup> Joanna Lillis, "Kazakhstan: Political Trial Fails to Provoke Outcry," *Eurasianet*, October 10, 2012.

<sup>99</sup> "Main Opposition Media Silenced in Space of a Month," Reporters Without Borders, December 28, 2012, and January 2, 2013, at <http://en.rsf.org/kazakhstan-main-opposition-media-silenced-in-28-12-2012,43751.html>.

<sup>100</sup> "New 'Leader's Day' Suggests Power Consolidation Ahead of Handover," *Open Source Center Analysis*, November 30, 2012; *Interfax*, November 29, 2012.

<sup>101</sup> *Critical Newspapers in Kazakhstan 'Being Squeezed Out of Existence,'* Institute of War and Peace Reporting, January 10, 2014.

<sup>102</sup> For background, see CRS Report 97-690, *Kyrgyzstan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>103</sup> The legislature had considered and rejected nationalizing the Kumtor gold mine in late June 2012.

foiled another attempt. The government arrested the three legislators on the grounds that they were publically advocating and using force to attempt to overthrow the constitutional system.<sup>104</sup> The arrests triggered additional protests in southern Kyrgyzstan, the power base of the Ata-Jurt Party. In March 2013, a Bishkek district court sentenced the three legislators to prison terms ranging from one year to 18 months. According to many observers, violent popular reactions to the sentences—including the seizure of a regional administration building and a blockage of the main highway from Osh to Bishkek in early June—may have influenced an appeals court decision in June 2013 to acquit and release the three legislators. Perhaps also relevant, courtroom bystanders physically attacked the appellate judges, demanding acquittals. The prosecutor appealed the acquittals. In early August 2013, the Supreme Court re-instated the sentences, but ruled that the defendants had served their time and would not be imprisoned. The opposition deputies were stripped of their legislative mandates, however.

In early October 2013, a rally by local villagers calling for the nationalization of the Kumtor gold mine turned violent, reportedly after policemen tried to disperse the demonstrators, resulting in injuries to six policemen and the detention of over 20 demonstrators. The local villagers launched another protest and road blockage at the mine in February 2014. In late February 2014, four of eight defendants in the October 2013 incident received sentences of 4-8 years (the rest received suspended sentences).

In December 2013, Centerra and the Kyrgyz government signed a memorandum of understanding (MOU) on setting up a new joint venture with both sides owning 50% of shares. Centerra also offered other concessions. The legislature approved the MOU on February 6, 2014. The Kyrgyz government has voiced the hope that the two sides will reach final agreement on the ownership shares and other details of the joint venture by August 2014.

Opponents of the MOU have called for the government to own over two-thirds of the shares or for the mine to be nationalized. Omurbek Tekebaev, the leader of the Ata-Meken Party, a member party of the ruling coalition, has been prominent in calling for nationalizing the mine. On March 18, 2014, the Ata Meken Party withdrew from the ruling coalition. A new coalition must be formed and a new cabinet of ministers approved. Tekebaev stated that the party had objected to the government's agreement on Kumtor mine operations, socioeconomic conditions, and alleged embezzlement during urban renewal efforts led by Prime Minister Jantoro Satybaldiev in Osh and Jalal-abad.

President Atambayev has pointed to his pledge to serve only one term as president as a sign of his honesty and adherence to the division of executive and legislative power established by the 2010 constitution.

According to analyst Johan Engvall, Kyrgyzstan's new semi-parliamentary system, established in 2010, has contributed to the replacement of the one-family rule of former President Bakiyev with a "system of coalition-based corruption, where the country's major economic, political, and territorial assets are divided among political parties with a detrimental impact on their ability to govern the country." He states that the legislative parties making up the ruling coalition have parceled out responsibility over ministries and regional administrations, and even over some businesses, so that various sectors of business and administration and regions of the country are

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<sup>104</sup> In mid-September 2012, the prosecutor general's office had launched a criminal investigation against Sadyr Japarov on suspicions that he had "illegally privatized" property formerly belonging to ousted President Bakiyev.

controlled by one or another party. He also warns that this system may be in flux, as President Atambayev has attempted to gain greater authority. Engvall argues that “the new system has yet to produce the desired effect in terms of relieving the strained relations between center and periphery, or urban and rural areas, nor has it been able to moderate intra-elite relations.”<sup>105</sup>

## Recent Political Developments in Tajikistan<sup>106</sup>

In March 2013, oppositionist and businessman Zayd Saidov announced his intention to form the New Tajikistan Party to participate in planned 2015 legislative elections. He was arrested in May on charges of economic crimes and in late December 2013 was sentenced to 26 years in prison with confiscation of property. In early March, authorities arrested Saidov’s defense lawyer on fraud charges. Many observers view Saidov’s conviction and his lawyer’s arrest as politically motivated.

A presidential election was held on November 6, 2013. The regime argued that since the constitution was changed in 2003, including by extending the presidential term from five to seven years, Rahmon’s constitutionally mandated two-term limit was reset, and he could run for a third term in 2006 and a fourth term in 2013. Seven prospective candidates were put forward by their parties. Five of the parties held legislative seats and two were outside the legislature. The prospects were required to gather at least 210,000 signatures (said to represent 5% of registered voters) in order to be registered as candidates. The difficulty of gathering the signatures led three prospective candidates to request an extension to the 20-day limit for obtaining signatures, and the Central Commission for Elections (CCE) granted a few days extension. Six candidates successfully registered. However, human rights activist Oynihol Bobonazarova—nominated by the opposition Islamic Renaissance Party of Tajikistan (IRPT) and supported by the opposition Social Democratic Party of Tajikistan (SDPT) and some other groups making up the Union of Reformist Forces of Tajikistan—proved unable to obtain the required 210,000 signatures. She alleged that local authorities had hindered her gathering of signatures.

Many observers viewed the candidates running against Rahmon as pro-government, even Communist Party candidate Ismoil Talbakov, who had run against Rahmon in 2006. Other candidates who had run against Rahmon in 2006 included Abduhalim Ghafforov of the Socialist Party and Olimjon Boboyev of the Party of Economic Reforms. After Bobonazarova failed to be registered as a candidate, the SDPT called for boycotting the election. IRPT leaders stated that they would not vote, but did not call for boycotting the election. During his campaign, Talbakov called for Tajikistan’s integration with Russia, lauded Lenin and Stalin, urged abolition of full-time clergy, pointed out that the president had given him an award for his support during the civil war, and stated that if elected, he would rule as a Soviet-style dictator who would widely use the death penalty against rapists and drug traffickers and deport homosexual “non-humans.”

The CCE reported that 90.1% of 4.2 million registered voters turned out and that Rahmon won 84.23% of the vote, followed by Talbakov with 4.93%. Some election observers and media questioned the high turnout figure, given the number of labor migrants outside the country. Media reported that at least some voters were able to cast ballots for relatives who were working abroad

<sup>105</sup> Johan Engvall, “The Political Sources of Kyrgyzstan’s Recent Unrest,” *Central Asia-Caucasus Analyst*, June 26, 2013.

<sup>106</sup> For background, see CRS Report 98-594, *Tajikistan: Recent Developments and U.S. Interests*, by Jim Nichol.



on election day. The SDPT and IRPT maintained that the results were fraudulent and that Rahmon's win was illegitimate.

According to monitors from the OSCE and the European Parliament, the election was peaceful but the candidate registration process, campaign environment, and vote counting were significantly flawed and fell short of genuine pluralism. The OSCE criticized the electoral law for unduly restrictive conditions on candidacy and campaigning that were not conducive to democratic elections, including requirements that effectively barred labor migrants from signing in support of a candidate, an unreasonable number of required signatures, and restrictions on campaign activities that limited freedom of expression. The monitors received numerous credible allegations that local officials were unwilling, unavailable, or otherwise lax in carrying out their required duty to certify signatures. While the IRPT alleged that it was blocked in its efforts to gather the required number of signatures, or that individuals feared repercussions from the government if they signed in support of Bobonazarova, some officials of the ruling People's Democratic Party of Tajikistan admitted that they assisted some other parties in gathering signatures.

The monitors judged that campaigning was formalistic and devoid of the diversity of views that would provide voters with an informed choice. They stated that President Rahmon enjoyed a significant advantage from state media coverage of his official activities, which included visits to several localities around the country. Monitors also observed local officials campaigning for the president. Campaign debates usually were held in a pro forma style moderated by election officials and campaign posters adhered to a standard format. President Rahmon declined debating his opponents, and most of the candidates steered clear of criticism of the president or government. The monitors witnessed significant problems on election day, including lax control over unused ballots and ballot boxes, widespread proxy voting, multiple voting, and ballot box stuffing. Vote counting was assessed as seriously problematic in over one-third of 61 polling stations observed, including inconsistent counting procedures, lack of visibility of vote-counting, and errors in filling out results protocols. Vote tabulation was assessed negatively in nearly one-fifth of 48 district election commissions observed, including the correction or filling in of protocols from the polling stations.<sup>107</sup>

## Recent Political Developments in Turkmenistan<sup>108</sup>

In October 2011, the Turkmen Central Electoral Commission (CEC) announced that a presidential election would be held on February 12, 2012. During the last two weeks of December 2011, initiative groups nominated candidates for president and gathered 10,000 signatures in a majority of the country's districts in order to gain registration of their candidates. The National Revival Movement, a civic association headed by the president, nominated President Berdimuhamedow as its candidate. In January 2012, the CEC registered eight candidates. All of Berdimuhamedow's challengers were ministerial officials or state plant managers. Based on an inadequate legal and political framework to ensure a pluralistic election, the OSCE decided not to formally monitor the election. The CEC announced that Berdimuhamedow won over 97% of the vote and that turnout was over 96%.

<sup>107</sup> OSCE, Office for Democratic Institutions and Human Rights, *Republic Of Tajikistan Presidential Election, 6 November 2013, OSCE/ODIHR Election Observation Mission: Final Report*, February 5, 2014.

<sup>108</sup> For background, see CRS Report 97-1055, *Turkmenistan: Recent Developments and U.S. Interests*, by Jim Nichol.

In January 2012, the legislature approved a Law on Political Parties that set forth procedures for establishing new political parties. In May 2012, the Union of Industrialists and Entrepreneurs, a public association, announced that it intended to form a party, and it held a founding congress in August 2012 to form the Party of Industrialists and Entrepreneurs (PIE). The platform of the new party is virtually the same as that of the DPT and is regarded as a pro-government party by most observers. In a by-election to fill vacant legislative seats in June 2013, the head of the new party, Ovezmammed Mammedov, became the first member of a party other than the DPT to be elected to the legislature.

Legislative elections were held on December 15, 2013. Candidates were nominated by the DPT and PIE, public associations, and citizen groups. All 283 candidates nominated by parties, associations, and groups were registered, including 66 women. DPT nominated 99 candidates, and PIE nominated 21 candidates. Among the public associations, the Trade Unions nominated 89 candidates, the Union of Women nominated 37 candidates and the Youth Union nominated 22 candidates.<sup>109</sup> Fifteen candidates also were nominated by groups of citizens. The majority of constituencies had 2 candidates, 31 constituencies had 3 candidates, and 2 constituencies had 4 candidates.

A fifteen-member OSCE Election Assessment Mission observed the election, along with a twelve-member team from the OSCE Parliamentary Assembly. According to the final assessment of the OSCE, the election took place in a strictly controlled political environment characterized by a lack of respect for fundamental freedoms that are central to democratic elections. Although there was a second political party participating in the race, it did not provide voters with a genuine choice. The election needed to be significantly improved to live up to OSCE commitments and other international obligations for genuine and democratic elections. Among problems identified by the OSCE, members of electoral commissions were appointees of the government. The Central Electoral Commission did not convene regular meetings and key electoral information was not published and disseminated. Registered candidates proclaimed their support for presidential policies rather than offering different political platforms. Campaigning was minimal, and election and local government officials were prominent among the audiences at candidate campaign meetings. Media was strictly controlled by the government, restricting any possible dissemination of diverse viewpoints.

In almost all polling stations visited, the OSCE observed several instances of voters presenting multiple identification documents, presumably for other family members, and getting multiple ballots in return. The mission observed numerous instances of seemingly identical signatures on the voter lists in the polling stations visited, which could be indications of proxy voting or multiple voting. OSCE monitors also noticed several instances of clumps of ballot papers in ballot boxes, suggesting multiple voting or ballot box stuffing. These irregularities may cast doubt on the level of turnout reported. The vote tabulation process was not transparent, with protocols not being publicly displayed and final results not broken down by the number of voters, turnout, votes for each candidate, and invalid votes for each precinct.<sup>110</sup>

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<sup>109</sup> According to the OSCE, the public associations lack real independence from the state. It has observed that although public associations fielded candidates who won in the December 2008 legislative election, representatives of the associations were unable to fully identify or discuss the work of their putative members in the outgoing parliament.

<sup>110</sup> OSCE, ODIHR, *Turkmenistan Parliamentary Elections, 15 December 2013, OSCE/ODIHR Election Assessment Mission: Final Report*, March 4, 2014.

## Recent Political Developments in Uzbekistan<sup>111</sup>

In December 2012, President Karimov stressed that the country was following a path of “evolutionary” democratization, including by increasing the checks and balances among the three branches of power and strengthening political parties. At the same time, he stated that the government’s power would continue to increase in the “transitional period” in order for it to direct the reforms, and cautioned that the process of democratization was lengthy and never-ending.

In late 2013, President Karimov’s elder daughter, Gulnara, became more involved in political scandal, particularly involving criminal investigations by authorities in Switzerland, Sweden, France, and Gibraltar of her business dealing. She and other observers have viewed such events as the closure of her media outlets as efforts to eliminate her as a possible political successor. According to some accounts, President Karimov had ordered the closure of her media outlets. *Oxford Analytica* has pointed out that President Karimov is the oldest political leader in Central Asia (born in 1938) and long has been rumored to be in ill-health. It suggests that a political succession might follow a similar course to that in Turkmenistan after the death of President Niyazov, where constitutional provisions on succession were ignored and the elite clans settled on a successor. According to *Oxford Analytica*, current Prime Minister Shavkat Mirziyoyev and his deputy Rustam Azimov are likely successors, but it also states that that National Security Service head Rustam Inoyatov might play a “decisive role.”<sup>112</sup>

In December 2013, President Karimov proposed changing the constitution to give the legislature more power and to pass laws facilitating multi-party competition in order to “build a democratic state.” He also called for studying the United States in order to improve the judicial system and foster independent media.<sup>113</sup> Legislative elections are planned for December 2014.

## Human Rights

The State Department’s latest *Country Reports on Human Rights Practices for 2013* characterized all the Central Asian governments except Kyrgyzstan as authoritarian and as falling short in respect for human rights in many areas:

- In Kazakhstan, the president and his Nur Otan Party dominated the political system. Significant human rights problems included severe limits on citizens’ rights to change their government and restrictions on freedom of speech, press, assembly, religion, and association. There was lack of due process in dealing with abuses by law enforcement and judicial officials. Other reported abuses included: arbitrary or unlawful killings; detainee and prisoner torture and other abuse; arbitrary arrest and detention; prohibitive political party registration requirements; restrictions on the activities of NGOs; sex and labor trafficking; and child labor. Corruption was widespread, although the government took modest steps to prosecute some officials who committed abuses.

<sup>111</sup> For background, see CRS Report RS21238, *Uzbekistan: Recent Developments and U.S. Interests*, by Jim Nichol.

<sup>112</sup> *Uzbekistan: Succession will Follow Turkmenistani Model*, OxResearch Daily Brief Service, *Oxford Analytica*, January 9, 2014.

<sup>113</sup> *CEDR*, December 8, 2013, Doc. No. CEL-66966896.

- In Kyrgyzstan, the constitution established a parliamentary form of government intended to limit presidential power and enhance the role of parliament and the prime minister. Some security forces appeared at times to operate independently of civilian control in the South and committed human rights abuses. Significant human rights problems included abuses related to continued ethnic tensions in the South; denial of due process and lack of accountability in judicial and law enforcement proceedings; law enforcement officials' use of arbitrary arrest; and various forms of mistreatment, torture, and extortion against all demographic groups, particularly against ethnic Uzbeks. The following additional human rights problems existed: harassment of NGOs, activists, and journalists; pressure on independent media; restrictions on religious freedom; pervasive corruption; discrimination and violence against ethnic and religious minorities; child abuse; trafficking in persons; and child labor. The central government allowed security forces to act arbitrarily, emboldening law enforcement officials to prey on vulnerable citizens, and allowing mobs to disrupt trials by attacking defendants, attorneys, witnesses, and judges.
- In Tajikistan, an authoritarian president and his supporters, drawn mainly from one region of the country, dominated the political system. The government obstructed political pluralism. Security forces reported to civilian authorities. Significant human rights problems included torture and abuse of detainees and other persons by security forces; repression of political activism and the repeated blockage of several independent news and social networking websites; and poor religious freedom conditions. Other human rights problems included arbitrary arrest; denial of the right to a fair trial; corruption; and trafficking in persons, including sex and labor trafficking. Officials in the security services and elsewhere in the government acted with impunity. There were very few prosecutions of government officials for human rights abuses.
- In Turkmenistan, an authoritarian president and his Democratic Party controlled the government. Significant human rights problems included arbitrary arrest; torture; and disregard for civil liberties, including restrictions on freedoms of speech, press, assembly, and movement. Other continuing human rights problems included citizens' inability to change their government; interference in the practice of religion; denial of due process and fair trial; arbitrary interference with privacy, home, and correspondence; and trafficking in persons. Officials in the security services and elsewhere in the government acted with impunity. There were no reported prosecutions of government officials for human rights abuses.
- In Uzbekistan, the authoritarian president dominated political life and exercised nearly complete control over the other branches of government. Significant human rights problems included torture and abuse of detainees by security forces; denial of due process and fair trial; and widespread restrictions on religious freedom, including harassment of religious minority group members and continued imprisonment of believers of all faiths. Other continuing human rights problems included: incommunicado and prolonged detention; arbitrary arrest and detention; restrictions on freedom of speech, press, assembly, and association; governmental restrictions on civil society activity; restrictions on freedom of movement; and government-organized forced labor. Authorities subjected human rights activists, journalists, and others who criticized the government, as well as their family members, to harassment, arbitrary arrest, and

politically motivated prosecution and detention. Government officials frequently engaged in corrupt practices with impunity.<sup>114</sup>

In June 2013, the State Department reported that Uzbekistan was a source country for human trafficking for forced labor and sex, and that while the government greatly reduced the number of children under 15 years of age involved in the 2012 cotton harvest, the government continued to subject older children and adults to forced labor in the harvest. Also, Uzbekistan did not demonstratively investigate or prosecute government officials suspected to be complicit in forced labor. The State Department estimated that there were over 1 million individuals subject to state-imposed internal forced labor in Uzbekistan. Since designations began in 2003, Uzbekistan has ranked as a Tier 2, Tier 2 Watch List, or Tier 3 country (a Tier 2 country does not fully comply with the minimum standards for the elimination of trafficking but is making significant efforts to comply; a Watch List country does not fully comply, the number of victims may be increasing, and efforts to comply are slipping; a Tier 3 country does not fully comply and is not making significant efforts to do so). In the 2003, 2006, and 2007 reports, Uzbekistan was listed as a Tier 3 country, but in the 2008-2012 reports, Uzbekistan was on the Tier 2 Watch List. In the 2011-2012 reports, Uzbekistan was granted waivers from an otherwise required downgrade to Tier 3 because the government had written plans to comply, according to the State Department. However, the government plans were not realized, and since Uzbekistan had exhausted its maximum of two consecutive waivers, it was placed on Tier 3 in the 2013 report. Countries placed on Tier 3 are subject to certain sanctions, including the withholding of non-humanitarian, non-trade-related foreign assistance. However, Uzbekistan has received partial or full waivers, most recently in September 2013, when the president determined that a waiver would promote further efforts to combat trafficking and would safeguard unspecified U.S. national security interests.<sup>115</sup>

In 2009, the U.S. Department of Labor listed all the Central Asian states as countries that use child labor to pick cotton. This list was meant to inform the choices made by the buying public. In addition, on July 23, 2013, cotton from Tajikistan and Uzbekistan again was included on a list that requires U.S. government contractors to certify that they have made a good faith effort to determine whether forced or indentured child labor was used to produce the cotton.<sup>116</sup>

In testimony to Congress in April 2013, an official of the U.S. International Labor Rights Forum (IRLF), an NGO, reported that as a member of the Cotton Campaign, an international coalition of NGOs, industries, and trade unions, the IRLF had supported diplomatic and economic pressure on Uzbekistan to end forced child and adult labor in cotton production. He reported that forced child and adult labor continued to be used in the autumn 2012 cotton harvest, and that security personnel were deployed on the farms to enforce production quotas and to prevent pickers from taking pictures or otherwise documenting the use of forced labor. Ostensibly, the pickers were “volunteers” recruited from government agencies, private firms, colleges, and high schools, the latter including a majority of all faculty members. Children under age 15 were officially excused from the harvest, although many aged 11-15 were observed in the fields. Individuals could pay a fee in lieu of participating in the harvest, but most reportedly were afraid of repercussions such as

<sup>114</sup> U.S. Department of State, *Country Reports on Human Rights Practices for 2013*, February 27, 2014.

<sup>115</sup> U.S. Department of State, *Trafficking in Persons Report*, June 19, 2013; The White House, *Memorandum for the Secretary of State: Presidential Determination with Respect to Foreign Governments' Efforts Regarding Trafficking in Persons*, Presidential Determination No. 2013-16, September 17, 2013. See also *Uzbekistan: Forced Labor Widespread in Cotton Harvest*, Human Rights Watch, January 25, 2013.

<sup>116</sup> U.S. Department of Labor. Bureau of International Labor Affairs. Executive Order 13126, *Prohibition of Acquisition of Products Produced by Forced or Indentured Child Labor*, at <http://www.dol.gov/ILAB/regs/eo13126/>.

dismissal from a job or university if they did not participate, according to the ILRF official. He also reported that the use of forced labor throughout the economy was increasing. The IRLF has called for the U.S. Customs Service to enforce the Tariff Act of 1930 to block the importation of Uzbek cotton materials produced by forced labor.<sup>117</sup>

Uzbekistan long barred monitors from the U.N.'s International Labor Organization from observing the cotton harvest, but permitted them to monitor the Fall 2013 harvest under escort by Uzbek officials. A delegation reported systematic state mobilization of the forced labor of children in the 2013 cotton harvest.<sup>118</sup> The Cotton Campaign, a group of human rights organizations, also reported that the government had continued a practice implemented last year of not pressing most young children into picking cotton, but of stepping-up the use of forced labor by older youth and adults, including civil servants.<sup>119</sup>

## Trade and Investment

All the states of the region possess large-scale resources that could contribute to the region becoming a “new silk road” of trade and commerce. The Kazakh and Turkmen economies are mostly geared to energy exports but need added foreign investment for production and transport. Kazakhstan is the world’s largest exporter of uranium. Tajikistan, Turkmenistan, and Uzbekistan are major cotton producers, a legacy of central economic planning during the Soviet period. Uzbekistan’s cotton and gold production rank among the highest in the world and much is exported. It has moderate gas reserves but needs investment to upgrade infrastructure. Kyrgyzstan has major gold mines and strategic mineral reserves, is a major wool producer, and could benefit more from tourism. Tajikistan has one of the world’s largest aluminum processing plants. Kyrgyzstan and Tajikistan possess the bulk of the region’s water resources, but in recent years both countries have suffered from droughts.

Despite the region’s development potential, the challenges of corruption, inadequate transport infrastructure, punitive tariffs, border tensions, and uncertain respect for contracts and entrepreneurial activity have discouraged major foreign investment (except for some investment in the energy sector). Cotton-growing has contributed to environmental pollution and water shortages, leading some observers to argue that cotton-growing is not suited to the largely arid region.

Tajikistan has alleged that Uzbekistan delays rail freight shipments, purportedly to pressure Tajikistan to halt construction of the Roghun hydro-electric power dam on the Vakhsh River,

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<sup>117</sup> U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations, Hearing on Tier Rankings in the Fight Against Human Trafficking, *Testimony of Brian Campbell, Director of Policy and Legal Programs, International Labor Rights Forum*, April 18, 2013; IRLF, *Press Release: Leading Labor Rights Watchdog Calls on U.S. Customs Service to Halt Imports of Forced Labor Cotton from Uzbekistan*, May 15, 2013. See also *Uzbekistan: Forced Labor Widespread in Cotton Harvest, More Adults, Older Children Required to Work, Abuses Persist*, Human Rights Watch, January 26, 2013.

<sup>118</sup> U.N. International Labor Organization, *Worst Forms of Child Labour Convention, 1999 (No. 182) – Uzbekistan, Observation (CEACR) Adopted 2013, and Published at the 103rd ILC Session*, 2014.

<sup>119</sup> *Review of the 2013 Cotton Harvest in Uzbekistan: State Forced-Labor System Continues*, The Cotton Campaign, November 2013.

which Uzbekistan fears could limit the flow of water into the country. In November 2011, it closed a rail link to southern Tajikistan, reporting that a bridge was damaged, but since then has not reopened the span. Uzbekistan also has periodically cut off gas supplies to Tajikistan. In early April 2012, Tajikistan's prime minister and its foreign ministry denounced the rail restrictions and a gas supply disruption as part of an "economic blockade" aiming to destabilize Tajikistan. The Uzbek prime minister responded that all Uzbek actions were in accordance with bilateral agreements or responses to Tajik actions, so that the accusations were "groundless."<sup>120</sup>

According to some reports, Uzbek officials have stepped-up arrests, fines, and other actions against international business interests in recent months, perhaps due in part to elite infighting and growing corruption.<sup>121</sup> Other international businesses continue to carry out operations.

Protests and government actions that have disrupted mining operations at the Kumtor gold mine, operated as a joint venture between the Kyrgyz government and a Canadian-based mining firm, have exacerbated concerns among foreign investors about the business climate in Kyrgyzstan. Gold production at the mine reportedly accounts for 10-12% of Kyrgyzstan's GDP, and the disruptions of mine operations have harmed the country's economy.

## U.S. Regional Economic and Trade Policy

Successive U.S. administrations have endorsed free market reforms in Central Asia, since these directly serve U.S. national interests by opening new markets for U.S. goods and services and sources of energy and minerals. U.S. private investment committed to Central Asia has greatly exceeded that provided to Russia or most other Eurasian states except Azerbaijan. U.S. trade agreements have been signed and entered into force with all the Central Asian states, but bilateral investment treaties (BITs) are in force only with Kazakhstan and Kyrgyzstan. Some observers have called for updating Kazakhstan's BIT. Efforts to finalize a BIT with Uzbekistan are complicated by currency conversion issues. In line with Kyrgyzstan's accession to the World Trade Organization (WTO), the United States established permanent normal trade relations with Kyrgyzstan by law in June 2000, so that "Jackson-Vanik" trade provisions no longer apply that call for presidential reports and waivers concerning freedom of emigration. The United States provided technical assistance that enabled Tajikistan to join the WTO in March 2013, and the 113<sup>th</sup> Congress may consider offering permanent normal trade relations status to the country in line with WTO requirements.<sup>122</sup>

The United States has been providing technical assistance for Kazakhstan's efforts to join the WTO. Kazakhstan's leadership has been eager for the country to soon join the WTO. However, in June 2013, the WTO Working Group negotiating with Kazakhstan on accession reported that major problems remained, including Kazakhstan's restrictions on the operation of international firms in the country and inequitable tariffs.<sup>123</sup> In October 2013, President Nazarbayev called for

<sup>120</sup> Yulia Goryaynova, Galim Faskhutdinov, and Saule Mukhametrakhimov, "A Gas Row Highlights Tajik-Uzbek Tensions," *IWPR*, April 24, 2012; *CEDR*, April 3, 2012, Doc. No. CEP-950105; April 4, 2012, Doc. No. CEP-950127.

<sup>121</sup> Catherine Fitzpatrick, "Uzbekistan: Foreign Investors Suffering amid Tashkent's 'Bizarre' Business Behavior," *Eurasianet*, August 16, 2011.

<sup>122</sup> US Embassy Dushanbe, *U.S. Statement on Tajikistan's Accession to the World Trade Organization*, December 11, 2012.

<sup>123</sup> WTO, *News Item: Kazakhstan Accession Negotiations make Incremental Progress but Major Questions Unresolved*, July 23, 2013.

Russia to assist it in the accession talks to combat what he termed EU and U.S. objections. In early March 2014, the State Department informed a Kazakh delegation preparing to depart for the United States to discuss the country's World Trade Organization (WTO) accession progress that a visit by other participants from Russia's Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhozadzor) was unacceptable. The Rosselkhozadzor spokesman speculated that the cancellation was linked to Russia's moves in Ukraine.

In June 2004, The U.S. Trade Representative signed a Trade and Investment Framework Agreement (TIFA) with ambassadors of the regional states to establish a U.S.-Central Asia Council on Trade and Investment. The Council has met yearly to address intellectual property, labor, environmental protection, and other issues that impede trade and private investment flows between the United States and Central Asia. The United States also has called for greater intra-regional cooperation on trade and encouraged the development of regional trade and transport ties with Afghanistan and South Asia. The reorganization of the State Department in 2006 to create the Bureau of South and Central Asian Affairs facilitated this emphasis.<sup>124</sup>

The eighth meeting of the U.S.-Central Asia TIFA was held in Ashkhabad, Turkmenistan, in November 2013. Few details were released, but the U.S. statement mentioned that working groups on customs, energy trade, and women's economic empowerment had met, and that the United States had proposed in the plenary meeting that a memorandum of understanding be developed on promoting women's entrepreneurship. The meeting also discussed possible WTO accession for Kazakhstan, Turkmenistan, and Uzbekistan, and the development of regional trade with Afghanistan.<sup>125</sup>

U.S. trade with Central Asia accounts for less than 1% of U.S. global trade, and in 2013, mostly involved exports of poultry, inorganic chemicals, industrial valves, farm machinery, mining machinery, oil and gas field machinery, motors and generators, engine equipment, automobiles, railroad rolling stock, and civilian aircraft to Kazakhstan and imports of uranium ores, petroleum products, inorganic chemicals, iron and steel, and refined nonferrous metals from Kazakhstan.

**Table I. U.S. Trade Turnover, 2013**

million current dollars

County	U.S. Imports from	Main Categories of U.S. Imports	U.S. Exports to	Main Categories of U.S. Exports	Total Turnover
Kazakhstan	1,390.4	petroleum refinery products, iron & steel, inorganic chemicals	1,095.7	civilian aircraft, railroad rolling stock, other engine equipment, poultry	2,486.1
Kyrgyzstan	3.5	paper, textiles, fish, coffee, liquor	106.1	automobiles, poultry	109.6

<sup>124</sup> Remarks at Eurasian National University, October 13, 2005; and U.S. Congress, House International Relations Committee, Subcommittee on the Middle East and Central Asia, *Testimony by Steven R. Mann, Principal Deputy Assistant Secretary*, July 25, 2006. See also U.S. Embassy, Astana, Kazakhstan, *Kazakhstan and the United States in a Changed World*, August 23, 2006.

<sup>125</sup> Office of the U.S. Trade Representative, *Joint Statement: U.S.-Central Asia Trade and Investment Framework Agreement, Meeting of the TIFA Council*, November 14, 2013.



County	U.S. Imports from	Main Categories of U.S. Imports	U.S. Exports to	Main Categories of U.S. Exports	Total Turnover
Tajikistan	0.7	measuring devices, dried food	52.6	poultry, communications equipment, civilian aircraft	53.3
Turkmenistan	31.1	agricultural products, linens, fabrics, petroleum refinery products	260.8	poultry, industrial valves, oil & gas field machinery, turbines, air & gas compressors, civilian aircraft	291.9
Uzbekistan	26.6	inorganic chemicals, spices, dried foods	320.9	poultry, petroleum refinery products, pharmaceuticals, turbines, air & gas compressors, industrial furnaces, civilian aircraft	347.5

**Source:** U.S. Department of Commerce, U.S. International Trade Data.

Some U.S. foreign investors have become discouraged in recent years by harsher Kazakh government terms, taxes, and fines that some allege reflect corruption within the ruling elite. In 2009, the Karachaganak Petroleum Operating (KPO) consortium (the main shareholder is British Gas, and U.S. Chevron is among other shareholders), which extracts oil and gas from the Karachaganak fields in northwest Kazakhstan, was faced with an effort by the Kazakh government to obtain 10% of the shares of the consortium. Facing resistance, the government imposed hundreds of millions of dollars in tax, environmental, and labor fines and oil export duties against KPO. Both the government and KPO appealed to international arbitration. In December 2011, KPO agreed to transfer 10% of its shares to the Kazakh government, basically gratis, and in exchange the government mostly lifted the fines and duties.<sup>126</sup> In May 2012, President Nazarbayev suggested that foreign energy firms operating in the country could help finance domestic industrial projects.<sup>127</sup> Kazakhstan also has required that international firms use local products. Some U.S. businesses have called for modernizing the 1992 U.S.-Kazakh Bilateral Investment Treaty to close loopholes that permit Kazakhstan to levy many fines on U.S. firms. In mid-February 2014, President Nazarbayev ordered his government to increase the pace of foreign investment, or he would fire them and form a new government.

## The New Silk Road Vision

Building on U.S. government efforts since the mid-2000s to encourage energy and other trade linkages between Central and South Asia, in July 2011 then-Secretary Clinton announced that U.S. policy toward Afghanistan in coming years would focus on encouraging “stronger economic ties through South and Central Asia so that goods, capital, and people can flow more easily across borders.”<sup>128</sup> She further explained this “New Silk Road Vision” at a meeting of regional ministers and others in September 2011, stating that

<sup>126</sup> Press Release: *Agreement Reached with Republic of Kazakhstan on Karachaganak*, BG Group, December 14, 2011, at <http://www.bg-group.com/MEDIACENTRE/PRESS/Pages/14Dec2010.aspx>.

<sup>127</sup> Georgiy Voloshin, “Kazakhstan’s Economic Proposals Reveal Fears about Political Instability,” *CACI Analyst*, June 13, 2012.

<sup>128</sup> U.S. Department of State, *Travel Diary: “India and the United States—A Vision for the 21<sup>st</sup> Century,” DipNote*, July 20, 2011.

as we look to the future of this region, let us take this precedent [of a past Silk Road] as inspiration for a long-term vision for Afghanistan and its neighbors. Let us set our sights on a new Silk Road—a web of economic and transit connections that will bind together a region too long torn apart by conflict and division.... Turkmen gas fields could help meet both Pakistan’s and India’s growing energy needs and provide significant transit revenues for both Afghanistan and Pakistan. Tajik cotton could be turned into Indian linens. Furniture and fruit from Afghanistan could find its way to the markets of Astana or Mumbai and beyond.<sup>129</sup>

The Silk Road Vision further was adumbrated during meetings in Turkey and Germany in late 2011. The Istanbul Conference Communiqué called for connecting Afghanistan to Central Asian and Iranian railways and for bolstering regional energy linkages.<sup>130</sup>

In a speech in October 2012, then-Assistant Secretary Blake claimed that the NDN routes could serve after the U.S. and NATO drawdown in 2014 in Afghanistan as components of the U.S. “Silk Road Vision,” of enhanced trade within and between Central and South Asia.<sup>131</sup>

In April 2013 in meetings in Kazakhstan and Uzbekistan, then-Assistant Secretary Blake deemed that progress on the Administration’s Silk Road Vision included plans to build the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline, plans for financing for the Central Asia-South Asia (CASA-1000) electricity transmission project, and plans by Turkmenistan to build a rail line transiting Afghanistan to Tajikistan. He also praised the cross-border transport agreement between Kyrgyzstan, Tajikistan, and Afghanistan, concluded under the auspices of the Central Asia Regional Economic Cooperation (CAREC) Program, administered by the Asian Development Bank. Similarly, he highlighted plans by Turkey, Turkmenistan, Azerbaijan, and Georgia to develop a Black Sea Corridor from Europe to Afghanistan and China. He hailed progress at the Istanbul Process ministerial meeting in Almaty to advance these and other regional integration efforts that include Afghanistan. At the same time, he stated that the United States would increase cooperation with Central Asia to strengthen border security, reduce corruption, and enhance information-sharing to combat narcotics trafficking and cross-border terrorism.

In January 2014, U.S. Ambassador to Latvia Mark Pekula praised the NDN as “efficiently” and “smoothly” moving military-related materials to and from Afghanistan through Latvia. He stated that Latvia and the United States supported transforming the NDN into a “new silk road” with Latvia serving as a commercial hub for shipments of raw materials, cars, and other goods as far as the Pacific Coast. This “new silk road” will be a basis for economic development along the route, including Kazakhstan and Uzbekistan, he suggested.<sup>132</sup>

According to an Economic Impact Assessment (EIA) report released by the State Department in 2011 as part of the conceptualization of the Administration’s Silk Road Vision, nine projects were viewed as among the most significant and economically beneficial to Central Asia as well as

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<sup>129</sup> U.S. Department of State, “Secretary Clinton Co-Chairs the New Silk Road Ministerial Meeting,” *DipNote*, September 23, 2011; *Fact Sheet on New Silk Road Ministerial*, September 22, 2011. See also U.S. Department of State, *Remarks, Robert D. Hormats, Under Secretary for Economic, Energy and Agricultural Affairs, Address to the SAIS Central Asia-Caucasus Institute and CSIS Forum*, September 29, 2011.

<sup>130</sup> Andrew Kuchins, “Laying the Groundwork for Afghanistan’s New Silk Road: How Washington and Kabul Can Turn a Vision Into a Plan,” *Foreign Affairs*, December 5, 2011.

<sup>131</sup> U.S. Department of State, *Remarks, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, [at] Indiana University’s Inner Asian and Uralic Natural Resource Center*, October 18, 2012.

<sup>132</sup> USEUCOM, *U.S. Ambassador to Latvia Talks about the ‘New Silk Road,’* January 9, 2014, at <http://www.eucom.mil/video/25518/u-s-amb-to-latvia-talks-about-the-new-silk-road>.

Afghanistan. Of these, the State Department reported that four had been started. Since then, one other project has been started as of early 2014. Projects where some progress has occurred include rehabilitating the Salang tunnel rehabilitation and construction of a by-pass; upgrading two sections of roadway in central Afghanistan, from Mazar-i-Sharif to Dar-e-Suf, and from Yakawlang to Bamiyan; building the Mazar-i-Sharif to Hairatan rail link as part of Afghanistan's national rail system; building a rail link from Sher Khan Bandar to Herat and developing the Hairatan/Naibabad land port facilities; and burying fiber optic cables linking major cities in Afghanistan to sites in Iran, Pakistan, Tajikistan, and Uzbekistan. The Central Asia-South Asia Regional Electricity Trade Project (CASAREM/CASA-1000) and the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project are among the projects identified by the State Department that have not started as of early 2014.<sup>133</sup>

In December 2014, the State Department announced a \$15 million financing for CASA-1000, which when completed will permit Tajikistan and Kyrgyzstan to sell about 1,300MW of electricity generated in the summertime through transmission lines to Afghanistan and Pakistan. The State Department states that the electricity will be provided from existing hydropower generation so will not exacerbate water-sharing tensions with down-stream states. The State Department voiced the hope that the financing would encourage other donors to support the project, including the World Bank (the Asian Development Bank had pulled out of the project). At a meeting sponsored by the World Bank in Washington, D.C., in February 2014, energy ministers from Afghanistan, Kyrgyzstan, Pakistan, and Tajikistan signed an agreement in principle on the terms and conditions of purchasing power. However, some observers caution that the hazard of the route through Afghanistan remains an obstacle to funding and constructing the transmission lines.<sup>134</sup>

Critics have charged that the Silk Road Vision is less a program than an inspiration. They point out that the Administration's vision of Central-South Asia trade links is only one variant of what might be considered the "Silk Road," which usually has described historical trade routes from China to the Mediterranean Sea. They also have suggested that the NDN has failed to convince Central Asia states to adapt their border control regimes and trade practices to facilitate such free trade.<sup>135</sup>

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<sup>133</sup> U.S. Department of State, *Afghanistan & Regional Economic Cooperation Economic Impact Assessment*, June 7, 2011, pp. 63, 69. See also U.S. Department of State, *International Support for Afghanistan and Regional Economic Cooperation: A Mapping and Gap Analysis Review for the Afghanistan Strategy for Prosperity, Infrastructure, and Regional Engagement (ASPIRE) Initiative*, May 22, 2011.

<sup>134</sup> U.S. Department of State, Office of the Spokesperson, *Media Note: U.S. Announces \$15 Million in Funding for CASA-1000 Electricity Project*, December 11, 2013; "CASA-1000: Pakistan, Central Asia Agree in Principle to Terms for Power Project," *The Express Tribune*, February 19, 2014; Mushtaq Ghumman, "CASA-1000 Prospects Hit by Snags," *The Business Recorder*, February 20, 2014..

<sup>135</sup> Graham Lee, *The New Silk Road and the Northern Distribution Network: A Golden Road to Central Asian Trade Reform?* Open Society Foundations, October 2012; Joshua Kucera, "NDN And The New Silk Road, Together Again," *Eurasianet*, October 25, 2012; Joshua Kucera, "U.S. General Says NDN Will Lead To New Silk Road," *Eurasianet*, December 1, 2012; Roger McDermott, "NDN 'Reverse Transit,' Uzbekistan and the Failure of Western Grand Strategy," *Eurasia Daily Monitor*, Part 1, March 26, 2013, and Part 2, April 2, 2013; Commission on Security and Cooperation in Europe, *Briefing on the New Silk Road Strategy: Implications for Economic Development in Central Asia*, July 31, 2013.

## Energy Resources

The Caspian region is emerging as a notable source of oil and gas for world markets. The U.S. Energy Information Administration has estimated that gas exports from the region could account for 11% of global gas export sales by 2035, belying arguments by some observers in the 1990s that the region would be marginal as a contributor to world energy supplies. According to British Petroleum (BP), the proven natural gas reserves of Kazakhstan, Turkmenistan, and Uzbekistan are estimated at over 700 trillion cubic feet (tcf), among the largest in the world. The region's proven oil reserves are estimated to be over 30 billion barrels, slightly less than those of the United States.<sup>136</sup>

Russia's temporary cutoffs of gas to Ukraine in January 2006 and January 2009 and a brief slowdown of oil shipments to Belarus in January 2010 (Belarus and Ukraine are transit states for oil and gas pipelines to other European states) have highlighted Europe's energy insecurity. The United States has supported EU efforts to reduce its overall reliance on Russian oil and gas by increasing the number of possible alternative suppliers. Part of this policy has involved encouraging Central Asian countries to transport their energy exports to Europe through pipelines that cross the Caspian Sea, thereby bypassing Russian (and Iranian) territory, although these amounts are expected at most to satisfy only a small fraction of EU needs.<sup>137</sup>

The Central Asian states long were pressured by Russia to yield large portions of their energy wealth to Russia, in part because Russia controlled most existing export pipelines.<sup>138</sup> Russia attempted to strengthen this control over export routes for Central Asian energy in May 2007 when President Putin reached agreement in Kazakhstan on supplying more Kazakh oil to Russia. Putin also reached agreement with the presidents of Turkmenistan and Kazakhstan on the construction of a new pipeline to transport Turkmen and Kazakh gas to Russia. The first agreement appeared to compete with U.S. and Turkish efforts to foster more oil exports through the BTC. The latter agreement appeared to compete with U.S. and EU efforts to foster building a trans-Caspian gas pipeline. The latter also appeared to compete with U.S. and EU efforts to foster building a pipeline from Turkey through Greece, Bulgaria, Romania, and Hungary to Austria (the so-called Nabucco pipeline).

Seeming to indicate a direct challenge to these plans by Russia and the West, China signed an agreement in August 2007 with Kazakhstan on completing the last section of an oil pipeline from the Caspian seacoast to China, and signed an agreement with Turkmenistan on building a gas pipeline to China (see also below).<sup>139</sup> In March 2008, the heads of the national gas companies of Kazakhstan, Uzbekistan and Turkmenistan announced that their countries would raise the gas export price to the European level in future years. They signed a memorandum of understanding on the price with Russia's Gazprom state-controlled gas firm, which controls most export pipelines. According to analyst Martha Olcott, "the increased bargaining power of the Central

<sup>136</sup> BP *Statistical Review of World Energy*, June 2013.

<sup>137</sup> For details, see CRS Report RL33636, *The European Union's Energy Security Challenges*, by Paul Belkin. See also International Crisis Group, *Central Asia's Energy Risks*, May 24, 2007.

<sup>138</sup> According to a plan published by Russia's Institute of Energy Strategy covering the period 2007-2030, "Russian control over a large share of Central Asian gas needs to be maintained." See Minpromenergo (Ministry of Industry and Energy), Institut energeticheskoi strategii, *Kontseptsiya energeticheskoi strategii Rossii na period do 2030g.*, 2007. As reported by Philip Hanson, "How Sustainable Is Russia's Energy Power?" *Russian Analytical Digest*, No. 38 (2008).

<sup>139</sup> An oil and gas conference involving Kazakh, Chinese, and Russian energy ministries and firms has met annually since 2004 to "exchange views" on possible regional cooperation. *ITAR-TASS*, December 5, 2007.

Asian states owes more to the entry of China into the market than to the opening of [the BTC pipeline and the SCP]. Russia's offer to pay higher purchase prices for Central Asian gas in 2008 and 2009 came only after China signed a long-term purchase agreement for Turkmen gas at a base price that was higher than what Moscow was offering."<sup>140</sup>

After having failed in several other Soviet successor states, Gazprom reportedly succeeded in purchasing Kyrgyzstan's entire gas distribution system in December 2012.

## Kazakhstan's Oil and Gas

According to British Petroleum, Kazakhstan possesses 30 billion barrels of proven oil reserves (about 2% of world reserves) and 45.7 trillion cubic feet of proven gas reserves (about 1% of world gas reserves).<sup>141</sup> There are five major onshore oil fields—Tengiz, Karachaganak, Aktobe, Mangistau, and Uzen—which account for about half of the proven reserves. There are two major offshore oil fields in Kazakhstan's sector of the Caspian Sea—Kashagan and Kurmangazy—which are estimated to contain at least 14 billion barrels of recoverable reserves.

Nazarbayev's development goals for Kazakhstan rely heavily on increases in oil and gas production and exports, which account for a significant share of government revenues and GDP growth. The government has anticipated growing revenues in particular from expanding production at the Tengiz, Karachaganak, and Kashagan oil fields. While production is increasing at the former two oil fields, the latter oil field has not yet produced oil. Development of the Kashagan oil field began soon after its discovery in 2000, but has faced numerous delays and cost overruns, attributable to the harsh offshore environment; the high pressure, depth, and sulfur content of the oil; reported management problems; and Kazakh government interference. Members of the North Caspian Operating Consortium developing the oil field currently include Italy's Eni energy firm, the Anglo-Dutch Shell, the U.S.'s ExxonMobil, and France's Total (all with a 16.81% stake), Kazakhstan's KazMunaiGaz (16.88%), the China National Petroleum Corporation (8.33%), and Japan's Inpex (7.56%). The developmental cost of Phase one has risen to about \$50 billion. The anticipated difficulty and cost of further development of the oil field—which could result in production of up to 1.5 million bpd, but which could cost an added \$100 billion or more—have raised questions among the foreign consortium members about the timeline and feasibility of such efforts, and contributed to rising concerns by the Kazakh government that its hopes for rising revenues from the oil field might need to be revised.

Production at Kashagan began in September 2013, but was halted weeks later following a toxic waste processing leak. A new development plan reportedly will be worked out by the end of March 2014 and production of around 100,000 bpd may not resume until late in the year or even 2015. Kazakhstan fined the consortium \$737 million for environmental pollution, viewed by some observers as a means by which Kazakhstan may gain further shares in the project.<sup>142</sup>

Dutch and U.S. foreign direct investment (FDI) have played dominant roles in the development of Kazakhstani oil and gas and other resources. Dutch FDI from 2005 through the 3<sup>rd</sup> quarter of 2013 was \$49.9 billion and U.S. FDI was \$16.1 billion. Chinese FDI in Kazakhstan was \$10.3

<sup>140</sup> Martha Olcott, "A New Direction for U.S. Policy in the Caspian Region."

<sup>141</sup> *BP Statistical Review of World Energy*, British Petroleum, June 2013.

<sup>142</sup> Neil Hume, "Kashagan Fails to Live Up to Promise," *Financial Times*, March 6, 2014.

billion, and Russian FDI was \$7.0 billion.<sup>143</sup> Chinese President Xi Jinping's September 2013 Central Asian visit resulted in boosted Chinese FDI in the region.

Kazakhstan's main oil export route from the Tengiz oil field has been a 930-mile pipeline completed in 2001—owned by the Caspian Pipeline Consortium (CPC), in which Russian shareholders have a controlling interest—that carried 693,000 bpd of oil in 2009 from Kazakhstan to Russia's Black Sea port of Novorossiysk. Kazakhstan's other major oil export pipeline, from Atyrau to Samara, Russia, has a capacity of approximately 730,000 bpd.

Lengthy Russian resistance to increasing the pumping capacity of the CPC pipeline and demands for higher transit and other fees, along with the necessity of offloading the oil into tankers at Novorossiysk to transit the clogged Turkish Straits, spurred Kazakh President Nazarbayev to sign a treaty with visiting Azerbaijani President Aliyev in June 2006 to barge Kazakh oil across the Caspian Sea to Baku to the BTC pipeline. Kazakhstan began shipping about 70,000 bpd of oil through the BTC pipeline at the end of October 2008. Another accord resulted from a visit by President Nazarbayev to Azerbaijan in September 2009 that provides that up to 500,000 bpd of oil from the Kashagan field eventually may be barged across the Caspian to enter the BTC or the pipeline from Baku to Georgia's seaport of Supsa. Central Asian media reported in November 2013 that Azerbaijan and Kazakhstan had discussed the transit of about 22 million barrels of Kazakh oil through the BTC pipeline and 7.3 million barrels through the Baku-Supsa pipeline in 2014 (in total, about 80,000 bpd). Kazakhstan also has barged some oil to Baku to ship by rail to Georgia's seaports of Kulevi and Batumi. At the latter seaport, Kazakhstan became the sole owner of an oil terminal in early 2008. Kazakhstan began barging oil to the Romanian port of Constantza in late 2008 for processing at two refineries it purchased.<sup>144</sup>

In December 2010, the CPC approved a plan to upgrade the pumping capacity of the oil pipeline to 1.4 million bpd, with several phases of construction through 2015. The increased capacity will accommodate boosted production from the Tengiz and Karachaganak oil fields, as well as from anticipated development of the Kashagan and Filanovsky oil fields (the latter is owned by Russia). Construction reportedly has faced delays.

In addition to these oil export routes to Europe not controlled by Russia, in 2009 Kazakhstan and China completed an oil pipeline from Kazakhstan's port city of Atyrau to the Xinjiang region of China that initially carries 200,000 bpd to China. Some Russian oil has been transported to China through this pipeline, the first Russian oil to be transported by pipeline to China.

Russia is the major purchaser of Kazakh gas through the Central Asia-Center gas pipeline network. According to British Petroleum (BP) data, Kazakhstan exported 388.5 bcf of gas to Russia in 2012 (slightly less than in 2011), virtually all of its exported gas.<sup>145</sup>

Kazakhstan completed its sections of the first phase of the Central Asia-China gas pipeline in 2009-2010. At the end of October 2008, China and Kazakhstan signed a framework agreement on constructing a gas pipeline from Beyneu, north of the Aral Sea, eastward to Shymkent, where it

<sup>143</sup> "Invest in Kazakhstan," website sponsored by the President of Kazakhstan, the Ministry of Industry, the Investment Committee, and the Foreign Ministry, at <http://invest.gov.kz/?option=content&section=4&itemid=75>.

<sup>144</sup> *ITAR-TASS*, May 29, 2008; *CEDR*, December 11, 2007, Doc. No. CEP-950096; April 26, 2008, Doc. No. CEP-950045.

<sup>145</sup> "Natural Gas: Trade Movements 2012 by Pipeline," *BP Statistical Review of World Energy*, June 2013, p. 28.

will connect with the Central Asia-China gas pipeline. The pipeline is planned initially to supply 176.6 bcf to southern Kazakhstan and 176.6 bcf to China. Pipeline construction began in September 2011 and to be completed by 2015.

Kazakh officials have appeared to make contradictory statements about providing gas for European customers via a possible trans-Caspian pipeline traversing the South Caucasus and Turkey. President Nazarbayev appeared to support the possible transit of Kazakh gas through Turkey when he stated on October 22, 2009, during a visit to Turkey, that “Turkey ... will become a transit country. And if Kazakhstan’s oil and gas are transported via this corridor then this will be advantageous to both Turkey and Kazakhstan.”<sup>146</sup> Reacting to the decision of the European Commission to facilitate talks on building a trans-Caspian gas pipeline, Minister of Oil and Gas Sauat Mynabyev stated in October 2011 that “we do not have available resources for the gas pipeline yet.”<sup>147</sup>

During Chinese President Xi Jinping’s visit in September 2013, accords were signed reportedly amounting to up to \$30 billion to build the Beyneu-Bozoy gas pipeline and an oil refinery, among other projects. It was announced that Kazakhstan had reallocated shares in the consortium developing Kashagan (including those transferred by Conoco-Phillips in 2013) to provide the China National Petroleum Corporation with an 8.33% stake.

## Turkmenistan’s Gas

Turkmenistan’s proven natural gas reserves—618.1 trillion cubic feet—are among the highest in the world, according to British Petroleum (BP) data. Its oil reserves are about 600 million barrels, less than one-tenth of one percent of the world’s proven reserves.<sup>148</sup>

At the time it gained independence at the end of 1991, Turkmenistan largely was dependent on Russian energy export routes, and gas and oil production were held back by aging infrastructure, inadequate investment, and poor management. In 1993, Russia halted Turkmen gas exports to Western markets through its pipelines, diverting Turkmen gas to other Eurasian states that had trouble paying for the gas. In 1997, Russia cut off these shipments because of transit fee arrears and as leverage to obtain Turkmenistan’s agreement to terms offered by Russia’s state-owned gas firm Gazprom.

The late President Niyazov signed a 25-year accord with then-President Putin in 2003 on supplying Russia up to 211.9 billion cubic feet (bcf) of gas in 2004 (about 12% of production at that time), rising up to 2.83 trillion cubic feet (tcf) in 2009-2028 (perhaps amounting to the bulk of anticipated production). Turkmenistan halted gas shipments to Russia at the end of 2004 in an attempt to get a higher gas price but settled for all-cash rather than partial barter payments. Turkmenistan and Russia continued to clash in subsequent years over gas prices and finally agreed in late 2007 that gas prices based on “market principles” would be established in 2009. Turkmenistan, Kazakhstan, and Russia signed accords in May and December 2007 on building a new gas pipeline that was planned to carry 353 bcf of Turkmen and 353 bcf of Kazakh gas to

<sup>146</sup> CEDR, October 22, 2009, Doc. No. CEP-950337.

<sup>147</sup> *Interfax*, October 6, 2011.

<sup>148</sup> *BP Statistical Review of World Energy*, British Petroleum, June 2013.

Russia. However, the Turkmen government appeared to have reservations about building another pipeline to Russia, and the project reportedly is on hold.

Seeking alternatives to pipeline routes through Russia, in December 1997 Turkmenistan opened the first pipeline from Central Asia to the outside world beyond Russia, a 125-mile gas pipeline linkage to Iran. In mid-2009, Turkmenistan reportedly agreed to increase gas supplies to up to 706 bcf per year.<sup>149</sup> In January 2010, a second gas pipeline to Iran was completed—from a field that until April 2009 had supplied gas to Russia (see below)—to more than double Turkmenistan’s export capacity to Iran. However, Turkmen gas exports to Iran were about 290 bcf in 2010 and 360 bcf in 2011, according to BP. Turkmenistan has appeared to arbitrarily interrupt gas shipments to northern Iran in winter months. In January 2014, the intergovernmental Turkmen-Iranian joint commission on economic cooperation held a meeting in Ashkhabad and signed an accord on enhanced cooperation in the oil and gas sphere and other areas.

As another alternative to pipelines through Russia, in April 2006, Turkmenistan and China signed a framework agreement calling for Chinese investment in developing gas fields in Turkmenistan and in building a gas pipeline with a capacity of about 1.4 tcf per year through Uzbekistan and Kazakhstan to China. Construction of the pipeline began in August 2007 and gas began to be delivered through the pipeline to Xinjiang and beyond in December 2009. In 2011, Turkmenistan provided about 505 bcf of gas to China, according to BP. In June 2012, Turkmenistan’s Turkmengaz and the China National Petroleum Corporation (CNPC) signed accords to increase Turkmenistan’s natural gas shipments to China up to 2.8 tcf per year by 2020.

Perhaps in an additional attempt to diversify gas export routes, Berdimuhamedow first signaled in 2007 that Turkmenistan was interested in building a trans-Caspian gas pipeline. Turkmenistan signed a memorandum of understanding in April 2008 with the EU to supply 353.1 bcf of gas per year starting in 2009, presumably through a trans-Caspian pipeline that might at first link to the SCP and later to the proposed trans-Anatolian pipeline. President Berdimuhamedow asserted in March 2011 that “Turkmenistan intends to promote cooperation in the fuel and energy sector with European countries ... through construction of Trans-Caspian gas pipelines.”<sup>150</sup> Russia and Iran remain opposed to trans-Caspian pipelines, ostensibly on the grounds that they could pose environmental hazards to the littoral states. According to one recent report, Turkmenistan has prioritized providing gas to China and moving forward on plans to construct the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline (see below). Plans for a trans-Caspian pipeline are a lower priority, including because of ongoing tensions between Azerbaijan and Turkmenistan on ownership of undersea oil and gas fields.<sup>151</sup>

Berdimuhamedow also revived Niyazov’s proposal to build a gas pipeline through Afghanistan to Pakistan and India. In December 2010, the presidents of Turkmenistan, Pakistan, and Afghanistan and the prime minister of India signed an agreement on constructing the TAPI pipeline. On May 23, 2012, Turkmenistan signed purchase agreements with India and Pakistan to supply up to 1.2 tcf of gas per year via the prospective TAPI pipeline. Then-U.S. State Department spokesperson Victoria Nuland hailed the signing as “a perfect example of energy diversification, energy

<sup>149</sup> *Iran: Daily Report*, January 21, 2008, Doc. No. IAP-11017; January 24, 2008, Doc. No. IAP-950014; April 26, 2008, Doc. No. IAP-950049; and May 6, 2008, Doc. No. IAP-950052.; *CEDR*, July 12, 2009, Doc. No. CEP-950097.

<sup>150</sup> “President’s Welcoming Address,” *Turkmenistan: The Golden Age*, March 3, 2011, at [http://www.turkmenistan.gov.tm/\\_en/?idr=4&id=110303a](http://www.turkmenistan.gov.tm/_en/?idr=4&id=110303a).

<sup>151</sup> *CEDR*, November 22, 2013, Doc. No. CEL-54453905.



integration, done right. We are very strong supporters of the TAPI pipeline.... We consider it a very positive step forward and sort of a key example of what we're seeking with our New Silk Road Initiative, which aims at regional integration to lift all boats and create prosperity across the region."<sup>152</sup> In mid-November 2013, Turkmenistan's Turkmengaz state-owned gas firm, Afghanistan's state-owned gas firm, Pakistan's Interstate Gas Systems, India's Gali energy firm, and the Asian Development Bank signed an agreement to work toward finding added investors, attracting other energy companies, and acquiring funding for TAPI.

On the night of April 8-9, 2009, a section of a gas pipeline from Turkmenistan to Russia exploded, halting Turkmen gas shipments. Russia claimed that it had notified Turkmenistan that it was reducing its gas imports because European demand for gas had declined, but Turkmenistan denied that it had been properly informed.<sup>153</sup> After extended talks, visiting former Russian President Dmitriy Medvedev and President Berdimuhamedow agreed on December 22, 2009, that Turkmen gas exports to Russia would be resumed, and that the existing supply contract would be altered to reduce Turkmen gas exports to up to 1 tcf per year and to increase the price paid for the gas. Turkmenistan announced in January 2010 that some gas exports to Russia had resumed. The incident appeared to further validate Turkmenistan's policy of diversifying its gas export routes.

In 2010, Russia's Gazprom gas firm purchased only 371 bcf of Turkmen gas, a sharp drop-off from past purchases. Unfortunately, Turkmen gas exports to Iran and China were not compensatory. Overall Turkmen gas exports fell in 2010 to about 865 bcf, down from 1.7 tcf in 2008, before the Russian gas cutoff.<sup>154</sup> In 2011, according to BP, Russia purchased 356.7 bcf of Turkmen gas. Overall, Turkmen gas exports rose to 1.2 tcf in 2011, buoyed by Chinese and Iranian purchases. Reportedly, Russia gains most of its cash revenue from these exports to Russia. Iran pays for its gas at least in part with goods, and Turkmen gas exports to China initially are being used to pay off Chinese energy development and pipeline loans.<sup>155</sup>

In September 2011, the Council of the EU approved opening talks with Azerbaijan and Turkmenistan to facilitate an accord on building a trans-Caspian gas pipeline. Such a link would provide added gas to ensure adequate supplies for EU Southern Corridor diversification efforts. Hailing the decision, EU Energy Commissioner Günther Oettinger stated that "Europe is now speaking with one voice. The trans-Caspian pipeline is a major project in the Southern Corridor to bring new sources of gas to Europe. We have the intention of achieving this as soon as possible."<sup>156</sup> The Russian Foreign Ministry denounced the plans for the talks, and claimed that the Caspian Sea littoral states had agreed in a declaration issued in October 2007 that decisions regarding the Sea would be adopted by consensus among all the littoral states (Russia itself has violated this provision by agreeing with Kazakhstan and with Azerbaijan on oil and gas field development). It also claimed that the proposed pipeline was different from existing sub-sea pipelines in posing an environmental threat.

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<sup>152</sup> U.S. Department of State, *Daily Press Briefing*, May 23, 2012.

<sup>153</sup> Open Source Center. *OSC Feature*, April 14, 2009, Doc. No. FEA-844966; *CEDR*, April 14, 2009, Doc. No. CEP-950339; *ITAR-TASS*, April 3, 2009; Sergey Blagov, "Turkmenistan: Ashgabat Wonders Whether Russia Still Has Deep Pockets," *Eurasia Insight*, March 26, 2009.

<sup>154</sup> "Turkmen Gas Could Find Chinese Outlet," *Central Asia Online*, March 26, 2011.

<sup>155</sup> United States Senate, Committee on Foreign Relations, *Energy and Security from the Caspian to Europe: A Minority Staff Report*, December 12, 2012, p. 24.

<sup>156</sup> European Commission, *Press release: EU Starts Negotiations on Caspian Pipeline to Bring Gas to Europe*, September 12, 2011.

In June 2012, Azerbaijani border forces turned back a Turkmen ship carrying out seismic work in or near the area of the disputed and undeveloped offshore Serder/Kyapaz oil and gas field. Two other disputed fields have been developed by Azerbaijan. Each side lodged diplomatic protests against the other. The heightened tensions over the disputed field decreases the likelihood that a trans-Caspian pipeline soon will be built that could supply gas for the planned Trans-Anatolian Pipeline to Europe, according to the EIU.

Despite these tensions, EU Energy Commissioner Guenther Oettinger argued at the Frankfurt Gas Forum meeting in November 2012 that for the Southern Corridor to supply 10-20% of EU gas needs within the next decade, a trans-Caspian pipeline to Turkmenistan is necessary. Likewise, at a meeting of the EU-Azerbaijan Cooperation Council in Brussels in December 2012, both sides voiced the hope that an Azerbaijani-Turkmen-EU accord on building the trans-Caspian pipeline could be reached. At an energy conference in Turkmenistan in mid-November 2012, Deputy Assistant Secretary of State Lynne Tracy stated that the U.S. position was that if such an accord is reached, “no other country has veto power over that decision.” However, some observers reported that Turkmen officials emphasized their interest in the TAPI pipeline and de-emphasized interest in the trans-Caspian pipeline.<sup>157</sup> A Senate Foreign Relations Committee minority staff report issued in December 2012 called for Turkmenistan to make a political decision to build a trans-Caspian gas pipeline and invite major Western firms to develop oil and gas fields, for the United States to push for international funding for this pipeline, and for the EU to involve its members as well as Azerbaijan and Turkey in gas purchase talks with Turkmenistan. The report also suggested that in order to acquaint Turkmenistan with Western markets, a small undersea pipeline with a capacity of about 353 bcf quickly could be built to connect existing Azerbaijani and Turkmen offshore platforms.<sup>158</sup>

During Chinese President Xi Jinping’s September 2013 visit to Turkmenistan, accords were signed boosting gas purchases and further developing the Galkynysh (South Yolotan) gas field, where the China National Petroleum Corporation has participating in building gas processing facilities.

## Uzbekistan’s Oil and Gas

British Petroleum has estimated that Uzbekistan has about 600 million barrels of proven oil reserves and an estimated 39.7 trillion cubic feet of proven natural gas reserves as of the end of 2012 (negligible in terms of world oil reserves but about 1% of world gas reserves).<sup>159</sup> Uzbekistan is a net importer of oil. Uzbek oil production has been declining for many years, attributable to lack of investment. The country consumes the bulk of its gas production domestically, but has used its network of Soviet-era gas pipelines to export some gas to Russia and to other Central Asian states (Kazakhstan, Kyrgyzstan, and Tajikistan). Gas exports to the latter two states have been substantially reduced in recent years because of payment arrears. According to BP, Uzbekistan exported about 479 bcf of gas in 2010: 364 bcf of gas to Russia; 102 bcf to Kazakhstan; about 7 bcf to Kyrgyzstan; and about 6 bcf to Tajikistan. According to one report,

<sup>157</sup> Natallia Moore, “Turkmenistan Weekly News Analysis,” *Eurasianet*, November 22, 2012 and November 30, 2012.

<sup>158</sup> Najia Badykova, “US-EU Energy Council Reiterates Support for Southern Corridor,” *FSU Oil and Gas Monitor*, December 12, 2012; Jennifer DeLay, “Russia, Azerbaijan Remain Rivals in Race for European Gas Markets,” *FSU Oil and Gas Monitor*, December 19, 2012; United States Senate, Committee on Foreign Relations, *Energy and Security from the Caspian to Europe: A Minority Staff Report*, December 12, 2012.

<sup>159</sup> *BP Statistical Review of World Energy*, British Petroleum, June 2013.

gas exports declined to 424 bcf in 2011, but the government hopes to export 530 bcf in 2012. Gas is provided to Russia and Kazakhstan through the Russian-owned Central Asia-Center Pipeline system. Uzbekistan began to export some gas through this pipeline system to Ukraine in 2011. Reportedly, Uzbekistan was an unreliable gas exporter during the winters of 2010-2011 and 2011-2012, restricting supplies to divert them to cold-weather domestic use. In November 2011, Kazakhstan's major city of Almaty experienced shortages of gas imported from Uzbekistan, leading it to urgently conclude an agreement with the China National Petroleum Corporation (CNPC) to obtain gas from the Central Asia-China Pipeline.<sup>160</sup>

Uzbekistan largely has been closed to Western energy investment, although efforts to attract international energy firms have appeared to increase in recent years. Russian firms Gazprom and Lukoil are the largest investors in Uzbek gas development and production. Reportedly, Gazprom pays European-pegged gas prices for only a fraction of imports from Uzbekistan. In 2005, CNPC and Uzbekistan's state-owned Uzbekneftegaz firm announced that they would form a joint venture to develop oil and gas resources. In 2007, Uzbekistan and China signed an agreement on building a 326-mile section of the Central Asia-China Pipeline, and a construction and operation joint venture between Uzbekneftegaz and CNPC began construction in 2008. Two side-by-side pipelines have been completed, and the third is under construction. In October 2011, Uztransgaz (Uzbek gas transportation firm) and a subsidiary of CNPC signed a contract to supply up to 353 billion cubic feet of gas in 2012 through this pipeline (other sources stated that Uzbekistan planned to supply up to 141 billion cubic feet). However, Uzbekistan has reported that these shipments began only in August 2012. In April 2012, China announced it would spend \$15 billion for oil and gas exploration in Uzbekistan. A production sharing consortium composed of Uzbekneftegaz, Lukoil, the Korea National Oil Corporation, and CNPC is exploring for gas in the Aral Sea region.

During Chinese President Xi Jinping's September 2013 visit to Uzbekistan, 31 accords were reportedly signed worth \$15 billion to develop oil, gas, and uranium deposits.

## U.S. Regional Energy Policy

U.S. policy goals regarding energy resources in the Central Asian and South Caucasian states have included supporting their sovereignty and ties to the West, supporting U.S. private investment, promoting NATO and European energy security through diversified suppliers, assisting ally Turkey, and opposing the building of pipelines that transit "energy competitor" Iran or otherwise give it undue influence over the region. Other interests have included encouraging regional electricity, oil, and gas exports to South Asia and added security for Caspian region pipelines and energy resources.

To bolster NATO and other European energy supply diversity, the United States supported the building of the Baku-Tbilisi-Ceyhan oil pipeline (BTC; completed in 2006) and the South Caucasus Pipeline (SCP; completed in 2007). The United States also endorsed the building of a trans-Caspian gas pipeline to link Central Asian producers to European markets. In testimony in June 2011, then-Special Envoy for Eurasian Energy Richard Morningstar stated that current U.S. policy encourages the development of new Eurasian oil and gas resources to increase the diversity of world energy supplies. In the case of oil, increased supplies may directly benefit the United States, he stated. A second U.S. goal is to increase European energy security, so that some

<sup>160</sup> *Interfax*, November 14, 2011.

countries in Europe that largely rely on a single supplier (presumably Russia) may in the future have diverse suppliers. A third goal is assisting Caspian regional states to develop new routes to market, so that they can obtain more competitive prices and become more prosperous. In order to achieve these goals, the Administration supports the development of the Southern Corridor of Caspian (and perhaps Iraq) gas export routes transiting Turkey to Europe.<sup>161</sup> Of various competing pipeline proposals, the Administration will support the proposal “that brings the most gas, soonest and most reliably, to those parts of Europe that need it most.” The Administration also supports the diversification of Kazakhstan’s export routes and the boosting of oil production as a significant addition to world oil supplies. At the same time, Morningstar rejected views that Russia and the United States are competing for influence over Caspian energy supplies, stating that the Administration has formed a Working Group on Energy under the U.S.-Russia Bilateral Presidential Commission.<sup>162</sup>

At the fourth meeting of the U.S.-EU Energy Council in early December 2012 in Brussels, the parties issued a statement supporting the development of the Southern Gas Corridor, which they stated “remains a pivotal opportunity to diversify supply and allow new providers to participate in the EU energy market.” The sides also stressed that they continued to encourage Central Asian producers to link up to the Southern Gas Corridor.<sup>163</sup>

Until 2004, the Bush Administration retained a Clinton-era position, Special Advisor on Caspian Energy Diplomacy, to help further U.S. policy and counter the efforts of Russia’s Viktor Kaluzhny, the then-deputy foreign minister and Special Presidential Representative for Energy Matters in the Caspian. After the Administration abolished this post as no longer necessary, its responsibilities were shifted at least in part to a Deputy Assistant Secretary of State (responsibilities of a former Special Negotiator for Nagorno-Karabakh and Eurasian Conflicts also were shifted to the Deputy Assistant Secretary). Some critics juxtaposed Russia’s close interest in securing Caspian energy resources to what they termed halting U.S. efforts.<sup>164</sup> Following some congressional urging, a post of Special Envoy for Eurasian Energy issues was (re-)created in March 2008, with the former Bush Administration stating that there were “new opportunities” for the export of Caspian oil and gas.<sup>165</sup> In April 2009, then-Secretary of State Clinton appointed Richard Morningstar as Special Envoy for Eurasian Energy, reporting directly to the Secretary of State. After he left this post in mid-2012, the Administration proposed that the functions of the post be assumed by an official in the State Department’s Bureau of Energy Resources. In late 2012, minority staff of the Senate Foreign Relations Committee recommended that the State Department retain a dedicated Special Envoy position.<sup>166</sup> The position continues to be listed on the State Department’s website, but it has not been filled as of early 2014.<sup>167</sup>

<sup>161</sup> The term “Southern Gas Corridor” was mentioned in Commission of the European Communities, Communication from the Commission to the European Parliament, The Council, The European Economic and Social Committee, and the Committee of the Regions, *Second Strategic Energy Review: An EU Energy Security and Solidarity Action Plan*, Com(2008) 781 Final, November 13, 2008.

<sup>162</sup> U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on Europe and Eurasia, Hearing on European and Eurasian Energy: Developing Capabilities for Security and Prosperity, *Testimony of Ambassador Richard L. Morningstar, Special Envoy for Eurasian Energy*, June 2, 2011.

<sup>163</sup> U.S. Department of State, Office of the Spokesperson, *Joint Statement on the U.S.-EU Energy Council*, December 5, 2012.

<sup>164</sup> *Eurasia Daily Monitor*, May 31, 2007.

<sup>165</sup> United States Senate, Committee on Foreign Relations, *Energy and Security from the Caspian to Europe: A Minority Staff Report*, December 12, 2012, pp. 61-62.

<sup>166</sup> United States Senate, Committee on Foreign Relations, *Energy and Security from the Caspian to Europe: A* (continued...)

## U.S. Aid Overview

For much of the 1990s and until September 11, 2001, the United States provided much more aid each year to Russia and Ukraine than to any Central Asian state (most such aid was funded from the Freedom Support Act account in Foreign Operations Appropriations, but some derived from other program and agency budgets). Cumulative foreign aid budgeted to Central Asia for FY1992 through FY2010 amounted to \$5.7 billion, about 14% of the amount budgeted to all the Eurasian states, reflecting the lesser priority given to these states prior to September 11.

Budgeted spending for FY2002 for Central Asia, during OEF, was greatly boosted in absolute amounts (\$584 million) and as a share of total aid to Eurasia (about one-quarter of such aid). The former Bush Administration since then requested smaller amounts of aid, although the Administration continued to stress that there were important U.S. interests in the region. The former Bush Administration highlighted the phase-out of economic aid to Kazakhstan and the congressionally imposed restrictions on aid to Uzbekistan (see below) as among the reasons for declining aid requests. In April 2008, then-Assistant Secretary of State Richard Boucher stated that another reason for declining U.S. aid to the region was a more constrained U.S. budgetary situation. Aid to Central Asia in recent years has been about the same or less in absolute and percentage terms than that provided to the South Caucasian region.

The Obama Administration boosted aid to Central Asia in FY2009 to about \$494.5 million (all agencies and programs), but aid declined to \$436.3 million in FY2010. The Administration stated in FY2010 and FY2011 that it was prioritizing foreign assistance to Tajikistan and Kyrgyzstan. In Tajikistan, the Administration stated that aid would help increase the stability of a country “situated on the frontline of our ongoing military stabilization efforts in Afghanistan.” In Kyrgyzstan, the Administration stated that aid would improve security, combat drug-trafficking, reform the economy, and address food insecurity.<sup>168</sup> Following the April and June 2010 instability in Kyrgyzstan, the Administration provided \$77.6 million in addition to regular appropriated aid for stabilizing the economy, holding elections, and training police as well as urgent food and shelter aid.

The Administration’s budget request for FY2015 called for \$113.7 million for the Central Asian countries, a decrease from FY2014 (the account tables used for “Function 150” assistance do not break out NADR funding by country, so the amount given is provisional pending an announcement of NADR funding by country) (see **Table 2**, **Table 3** and **Table 4**).<sup>169</sup>

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(...continued)

*Minority Staff Report*, December 12, 2012, p. 9.

<sup>167</sup> U.S. Department of State, Office of the Special Envoy for Eurasian Energy, at <http://www.state.gov/s/eee/>, accessed on March 18, 2014.

<sup>168</sup> U.S. Department of State, *Congressional Budget Justification for Foreign Operations for FY2010*, May 2009, p. 44; *Congressional Budget Justification for Foreign Operations for FY2011*, Volume II, March 2010, p. 85.

<sup>169</sup> The “function 150” aid numbers include amounts from the Economic Support Fund (ESF), Global Health and Child Survival (GHCS) program, Non-proliferation, Anti-terrorism, Demining and Related Programs (NADR), Foreign Military Financing (FMF) program, International Military Education and Training (IMET) program, and the Food for Peace program. The totals do not include Defense or Energy Department funds, funding for exchanges, the value of privately donated cargoes, or Millennium Challenge Corporation aid to Kyrgyzstan.

The Millennium Challenge Corporation (MCC), created in 2004 to provide U.S. aid to countries with promising development records, announced in late 2005 that Kyrgyzstan was eligible to apply for assistance as a country on the “threshold” of meeting the criteria for full-scale development aid. In March 2008, the MCC signed an agreement with Kyrgyzstan to provide \$16 million over the next two years to help the country combat corruption and bolster the rule of law. This threshold program was completed in June 2010, and Kyrgyzstan has requested another threshold grant. In its FY2014 assessment, the MCC scored Kyrgyzstan as above the median for candidate countries on more than one-half of various economic, democratic, health, education, and conservation indicators, but as inadequately controlling corruption and slightly lagging in upholding political rights and civil liberties. The MCC board did not select Kyrgyzstan when it met in December 2013 to select countries for FY2014 compact and threshold program eligibility.

Peace Corps programs in most of the Central Asian states have ended (Tajikistan was deemed too insecure for volunteers). Kyrgyzstan is the only country in the region currently hosting volunteers. Most recently, Peace Corps volunteers wound up activities in Turkmenistan at the end of 2012, reportedly in the wake of growing tensions between the Turkmen government and the Peace Corps. According to some accounts, similar tensions had resulted in the termination of Peace Corps activities in Kazakhstan the previous year.<sup>170</sup>

## Congressional Conditions on Kazakh and Uzbek Aid

In Congress, Omnibus Appropriations for FY2003 (P.L. 108-7) forbade FREEDOM Support Act (FSA) assistance to the government of Uzbekistan unless the Secretary of State determined and reported that it was making substantial progress in meeting commitments under the Strategic Partnership Declaration to democratize and respect human rights. The conference report (H.Rept. 108-10) also introduced language that forbade assistance to the Kazakh government unless the Secretary of State determined and reported that it significantly had improved its human rights record during the preceding six months. However, the legislation permitted the Secretary to waive the requirement on national security grounds.<sup>171</sup> The Secretary reported in mid-2003 that Kazakhstan and Uzbekistan were making such progress. Some in Congress were critical of these findings. By late 2003, the former Bush Administration had decided that progress was inadequate in Uzbekistan, so that new Foreign Military Financing (FMF) and International Military Education and Training (IMET) aid was cut off. Since FY2005, the Secretary of State annually has reported that Kazakhstan has failed to significantly improve its human rights record, but aid restrictions have been waived on national security grounds.

Consolidated Appropriations for FY2004, including foreign operations (P.L. 108-199) and for FY2005 (P.L. 108-447), and Foreign Operations Appropriations for FY2006 (P.L. 109-102) retained these conditions, while clarifying that the prohibition on aid to Uzbekistan pertained to the *central* government and that conditions included respecting human rights, establishing a “genuine” multi-party system, and ensuring free and fair elections and freedom of expression and media. These conditions remained in place under the continuing resolution for FY2007 (P.L. 109-

<sup>170</sup> Ashley Cleek, “Peace Corps Pulling Out of Turkmenistan,” *Eurasianet*, September 3, 2012.

<sup>171</sup> The language calling for “substantial progress” in respecting human rights differs from the grounds of ineligibility for assistance under Section 498(b) of Part I of the Foreign Assistance Act of 1961 (P.L. 87-195), which includes as grounds a presidential determination that a Soviet successor state has “engaged in a consistent pattern of gross violations of internationally recognized human rights.” The Administration has stated annually that the president has not determined that Kazakhstan and Uzbekistan have engaged in “gross violations” of human rights.

289, as amended). In appropriations for FY2008 (Consolidated Appropriations; P.L. 110-161), another condition was added blocking the admission of Uzbek officials to the United States if the Secretary of State determined that they were involved in abuses in Andijon. Omnibus Appropriations for FY2009 (P.L. 111-8, Sections 7075 [Kazakhstan] and 7076 [Uzbekistan]) reiterated these conditions on assistance to Kazakhstan and Uzbekistan. Consolidated Appropriations for FY2010 (P.L. 111-117) referenced Sections 7075 and 7076, but added that Uzbekistan would be eligible for expanded IMET, permitting the first such assistance since FY2004. The Department of Defense and Full-Year Continuing Appropriations Act, FY2011 (P.L. 112-10), directed that assistance would be provided under the authorities and conditions of FY2010 foreign operations appropriations.

In late 2009, Congress permitted (P.L. 111-84, §801)—for the first time since restrictions on aid to Uzbekistan were put in place—the provision of some assistance on national security grounds to facilitate the acquisition of supplies for U.S. and NATO operations in Afghanistan from countries along the NDN. Using this authority, the Administration requested in April 2011 a small amount of FMF assistance for FY2012 for nonlethal equipment to facilitate Uzbekistan’s protection of the NDN (estimated FMF spending for FY2012 later increased substantially over that requested, to \$1.5 million).

On September 22, 2011, the Senate Appropriations Committee approved a foreign operations appropriations bill, S. 1601 (Leahy), that provided for a waiver for assistance to Uzbekistan on national security grounds and to facilitate U.S. access to and from Afghanistan. According to one media account, the Administration had called for such a waiver in order to facilitate security assistance, including FMF, for Uzbekistan.<sup>172</sup> Some human rights groups protested against the possible bolstering of U.S. security assistance to Uzbekistan.<sup>173</sup> Consolidated Appropriations for FY2012 (P.L. 112-74; signed into law on December 23, 2011) repeated conditions on assistance to Kazakhstan (referencing Sec. 7075 of P.L. 111-8) and Uzbekistan (referencing Sec. 7076 of P.L. 111-8). It newly provided for the Secretary of State to waive conditions on assistance to Uzbekistan for a period of not more than six months and every six months thereafter until September 30, 2013, on national security grounds and as necessary to facilitate U.S. access to and from Afghanistan. The law required that the waiver include an assessment of democratization progress, and called for a report on aid provided to Uzbekistan, including expenditures made in support of the NDN in Uzbekistan and any credible information that such assistance or expenditures are being diverted for corrupt purposes. The law also extended a provision permitting expanded IMET assistance for Uzbekistan. Soon after the bill was signed into law, the waiver was exercised in order to supply non-lethal equipment to help secure the NDN.<sup>174</sup>

The Consolidated and Further Continuing Appropriations Act for FY2013 (H.R. 933; P.L. 113-6, signed by the President on March 26, 2013) funded State-Foreign Operations accounts through

<sup>172</sup> Joshua Kucera, “Uzbekistan: Military Aid to Tashkent Would Help Protect NDN - State Department,” *Eurasianet*, September 28, 2011.

<sup>173</sup> International Crisis Group (ICG), “Joint Letter to Secretary Clinton Regarding Uzbekistan,” *States News Service*, September 27, 2011; Human Rights Watch, “Don’t Lift Restrictions Linked to Human Rights until Tashkent Shows Improvement,” *States News Service*, September 7, 2011. The joint letter by ICG and other human rights groups called on Secretary Clinton to affirm that “U.S. policies towards the Uzbek government will not fundamentally change absent meaningful human rights improvements, including the release of imprisoned pro-democracy activists, an end to harassment of civil society groups, effective steps to end torture, and the elimination of forced child labor in the cotton sector.”

<sup>174</sup> U.S. Department of State, *Daily Press Briefing*, February 1, 2012.

the end of FY2013 through a continuing resolution at the same level and requirements as in FY2012, with some changes. It also approved the State Department's retirement of the AEECA account and the allocation of funds to Eurasia through the Global Health Programs (GHP), Economic Support Fund (ESF), and International Narcotics Control and Law Enforcement (INCLE) accounts. S. 3241, Making Appropriations for the Department of State, Foreign Operations, and Related Programs, had continued conditions on assistance to Kazakhstan and Uzbekistan, but the House bill, H.R. 5857, had dropped conditions on assistance to Kazakhstan.

The Consolidated Appropriations Act for FY2014 (H.R. 3547; P.L. 113-76, signed into law on January 17, 2014) continues conditions (Sec. 7061) of previous years on assistance to the government of Uzbekistan, and continues a waiver provision. The law also extends a provision permitting expanded IMET assistance for Uzbekistan.

After eleven years in place, P.L. 113-76, Sec. 7061 drops conditions on assistance to Kazakhstan. Both S. 1372, Making Appropriations for the Department of State, Foreign Operations, and Related Programs, and the House version, H.R. 2855, had dropped the language pertaining to Kazakhstan while maintaining the language pertaining to Uzbekistan, with some added requirements. Some observers have pointed out that the most recent human rights report from the State Department does not seem to indicate a dramatic improvement from previous years in democratization and human rights conditions in the country (see above, "Human Rights").

Besides bilateral and regional aid, the United States contributes to international financial institutions that aid Central Asia. Recurrent policy issues regarding U.S. aid include what it should be used for, who should receive it, and whether it is effective.

## **U.S. Security and Arms Control Programs and Assistance**

In testimony on March 5, 2014, before the House Armed Services Committee, General Lloyd Austin, Commander of USCENTCOM, underlined that

Central Asia's position, bordering Russia, China, Iran and Afghanistan, assures its long-term importance to the United States. By improving upon our military-to-military relationships we will be better able to maintain access and influence, counter malign activity, protect lines of communication and deny [violent extremist organizations] access to ungoverned spaces and restrict their freedom of movement. Going forward, initiatives will be tailored to transform our current limited transactional-based relationships into more constructive cooperative exchanges based on common interests and focused on training and equipping them to conduct more effective [counter-terrorism, counter-proliferation, and counter-narcotics] operations.

He warned that there is growing uncertainty regarding U.S. and NATO commitments to Afghanistan and the Central Asia-South Asia region post-2014. He stated that Afghanistan and the neighboring states are pursuing efforts to boost their security post-2014, and that the United States is adjusting its strategy in the region to support partners and confront regional threats.

USCENCOM efforts include encouraging the Central Asian states to boost intra-regional military-to-military ties. He warned that al Qaeda and other terrorist groups might be forced by pressure on their activities in Pakistan and Afghanistan to move their activities to other areas of



Central and South Asia. He also reported that Russia, China, and Iran are attempting to expand their economic and security influence in Central and South Asia.

Commander Austin stated that counter-narcotics funding through Overseas Contingency Operations (OCO) appropriations has been “one of the largest sources of security assistance for Central Asia, and it provides leverage for access, builds security infrastructure, promotes rule of law, and reduces funding for violent extremists and insurgents in the Central Region. He stressed that in order to “maintain the additional gains we have made in disrupting the flow of [violent extremist organizations] and illicit narcotics trafficking, we must maintain our counter-narcotics programs in the Central Asian states.”

Surveying the Central Asian region, he reported that

- “Kazakhstan remains an enduring and reliable partner,” for USCENTCOM, and is “well positioned to serve as a bulwark for increased stability in the region.” He reported that Kazakhstan’s military is transforming itself into a western-type expeditionary, professional, and technologically-advanced force capable of meeting post-2014 challenges. A 2013-2017 military cooperation plan details areas of bilateral engagement. Kazakhstan has provided the most significant support for Afghanistan’s post-2014 stability and security, offering funding and technical support and education to the Afghan military.
- USCENTCOM is redefining its relationship with Kyrgyzstan in the wake of the planned July 2014 closure of the Manas Transit Center. He stated that until USCENTCOM is able to negotiate a new Framework Defense Cooperation Agreement with Kyrgyzstan, security cooperation will likely decrease, although some counter-terrorism and border security cooperation may continue.
- USCENTCOM’s modest investment in force modernization in Tajikistan has included counter-terrorism, counter-narcotics, and border security cooperation. Also, the country continues to participate in the NDN.
- Turkmenistan is an “enabler for regional stability,” including by supporting development projects in Afghanistan and humanitarian overflights to Afghanistan. Although Turkmenistan’s neutrality imposes some restrictions on bilateral military cooperation, there is some assistance for enhancing border security and the capabilities of its Caspian Sea Fleet.
- USCENTCOM’s relations with Uzbekistan are progressing, and include resumed Special Forces training and a five-year framework plan that includes counter-terrorism and counter-narcotics training. Uzbekistan continues to support the NDN.<sup>175</sup>

Although U.S. security assistance to the region was boosted in the aftermath of 9/11, such aid has lessened since then as a percentage of all such aid to Eurasia, particularly after aid to Uzbekistan

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<sup>175</sup> U.S. House of Representatives, Committee on Armed Services, Hearing on the Fiscal Year 2015 National Defense Authorization Budget Requests from the U.S. Pacific Command, U.S. Central Command, and U.S. Africa Command, *Statement of General Lloyd J. Austin III, Commander U.S. Central Command, on the Posture of U.S. Central Command*, March 5, 2014.

was cut in FY2004 and subsequent years (see above, “Congressional Conditions on Kazakh and Uzbek Aid”). According to the State Department’s Office of the Coordinator of Assistance to Europe and Eurasia, security and law enforcement aid to Central Asia was 31% (\$188 million) of all such aid to Eurasia in FY2002, but had declined to 18% (\$247 million) in FY2010. Of all budgeted assistance to Central Asia over the period from FY1992-FY2010, security and law enforcement aid accounted for a little over one-fifth. Security and law enforcement programs include Foreign Military Financing (FMF), International Military Education and Training (IMET), Excess Defense Articles (EDA), and border security aid to combat trafficking in drugs, humans, and WMD.

A Defense Department counter-terrorism train and equip program (created under Section 1206 of the National Defense Authorization Act for FY2006; P.L. 109-163) provided \$20 million to Kazakhstan in FY2006, \$19.2 million in FY2007, and \$12.5 million in FY2008 (the latter to respond to threats in the North Caspian Sea). It also provided \$12 million to Kyrgyzstan in FY2008 and \$9.6 million in FY2009.

Another Defense Department program for defense articles, services, training or other support for reconstruction, stabilization, and security activities (created under Section 1207 of P.L. 109-163; Section 1207 has expired and been replaced by a USAID Complex Crises Fund) provided \$9.9 million to Tajikistan in FY2008.<sup>176</sup> In FY2010, the Defense Department transferred \$15.8 million in Section 1207 funds to the State Department’s Civilian Response Corps to assist in reconstruction in Kyrgyzstan following the April 2010 coup and the June 2010 ethnic violence.<sup>177</sup>

According to the latest State-Defense Department’s *Foreign Military Training: Joint Report to Congress*, covering FY2012, \$2.1 million was expended for military and security training for 327 Kazakh students, \$4.23 million was expended for 345 Kyrgyz students, \$3.9 million was expended for 511 Tajik students, \$641,000 was expended for 81 Turkmen students, and \$343,000 was expended for 121 Uzbek students. Training was provided under various programs, including Foreign Military Sales, IMET, Global Peace Operations Initiative (GPOI), Regional Centers for Security Studies, Section 1004 Counter-Drug Training Support (CDTS), Combating Terrorism Fellowship Program (CTFP), and Service Academy Foreign Student Program. Most Central Asian military and security personnel received training in counter-narcotics under the Section 1004 program (as defined in the NDAA for FY1991). U.S. Special Operations Forces and conventional forces conduct the training for regional military personnel and law enforcement staffs involved in counter-drug operations.

In 2010, the Defense Department announced assistance to set up training facilities in Kyrgyzstan and Tajikistan to bolster regional efforts to combat drug-trafficking and terrorism. It was stated that no U.S. troops would be stationed at either facility.<sup>178</sup> The anti-terrorism training center in

<sup>176</sup> For background, see CRS Report RS22855, *Security Assistance Reform: “Section 1206” Background and Issues for Congress*, by Nina M. Serafino, and CRS Report RS22871, *Department of Defense “Section 1207” Security and Stabilization Assistance: Background and Congressional Concerns, FY2006-FY2010*, by Nina M. Serafino.

<sup>177</sup> U.S. Department of State, “U.S. Stabilization Capabilities: Lessons Learned From Kyrgyzstan,” *Dipnote*, October 04, 2010; U.S. Department of Defense, *Section 1209 and Section 1203(b) Report to Congress on Foreign-Assistance Related Programs for Fiscal Years 2008, 2009, and 2010*, April 2012, p. 71.

<sup>178</sup> Deirdre Tynan, “Kyrgyzstan: U.S. Intends to Construct Military Training Center in Batken,” *Eurasianet*, March 3, 2010; *Stratfor*, June 25, 2010. The EU also has built or refurbished military training and border facilities in Central Asia, including in Kyrgyzstan. See *The EU’s Border Management Program in Central Asia (BOMCA)*, at <http://bomca.eu-bomca.kg/en/about>.

southern Kyrgyzstan, planned to be built in the Batken region, was planned to cost \$5.5 million. Construction reportedly was delayed due to the change of government and ethnic violence in Kyrgyzstan, and then was canceled. The National Training Facility in Tajikistan, valued at up to \$10 million, was designed for the National Guard training. Design and construction began in mid-2011, but completion apparently was delayed, with one solicitation notice for construction being issued in mid-2012. The National Training Facility reportedly since has been completed and includes classrooms, gun ranges, a tank driving range, and rappelling tower. Another training facility for the Tajik Customs Service, built at a cost of \$2 million, was completed in January 2014.<sup>179</sup>

According to the State Department's 2013 *Narcotics Control Strategy Report*, about one-fourth of the opium and heroin produced in Afghanistan transits through Central Asia to markets in Russia and Central Europe. The bulk of these drugs transit the Afghan-Tajik border, and from there are shipped by trucks travelling along the relatively good road system in Uzbekistan. Governmental corruption facilitates these shipments, according to the State Department.<sup>180</sup> During his visits to Kyrgyzstan, Kazakhstan, and Tajikistan in late June 2011, U.S. Assistant Secretary of State for International Narcotics and Law Enforcement Affairs (INL) William Brownfield announced the launch of a new \$4.2 million Central Asia Counter-narcotics Initiative (CACI) to provide training and equipment to set up counter-narcotics task forces in each of the Central Asian states. The initiative also aimed to encourage regional cooperation by the task forces, including through the U.S. supported Central Asia Regional Information Coordination Center (CARICC), as well as broader cooperation with existing task forces in Afghanistan and Russia. Besides INL, the U.S. Drug Enforcement Administration (DEA) was involved in the initiative. A factsheet reported that the State Department planned to closely coordinate with the Defense Department, which had provided over \$100 million in counter-narcotics aid to Central Asia.<sup>181</sup> Reportedly, Russia objected to the implementation of CACI.<sup>182</sup>

In testimony in February 2014, Assistant Secretary Brownfield reported that CACI "has not yet been a resounding success." He stated that problems included cooperation among the regional states on counter-narcotics efforts and verified that there was a lack of enthusiasm in Russia for cooperation with the United States that would include sharing of intelligence and operations in Afghanistan. He averred that there was some regional country-by-country cooperation.<sup>183</sup>

Several Central Asian states also participate in the State Partnership Program which pairs National Guard units with military units in Central Asia and elsewhere. The Arizona National

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<sup>179</sup> "U.S., Tajik Officials Initiate Construction of Military Training Center," *RFE/RL*, July 7, 2011; U.S. Embassy, Dushanbe, *Solicitation Notice: National Training Center at Karatog, Tajikistan*, May 11, 2012, at [http://dushanbe.usembassy.gov/ct\\_05112012.html](http://dushanbe.usembassy.gov/ct_05112012.html); *Tajikistan National Training Center*, AHNTech, at <http://ahntech.com/past-projects/tajikistan-construction>; U.S. Embassy, Dushanbe, *U.S. Embassy Donates Practical Exercise Training Area Facility to Tajikistan's Customs Service*, January 21, 2014.

<sup>180</sup> U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report*, March 5, 2013.

<sup>181</sup> U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs, *Fact Sheet: The Central Asia Counternarcotics Initiative (CACI)*, February 21, 2012.

<sup>182</sup> Joshua Kucera, "Russia Thwarts U.S. Central Asian Counterdrug Program," *The Bug Pit, Eurasianet*, February 18, 2012; Chris Rickleton, "Central Asia: Cold-War Attitudes Hindering Drug War," *Eurasianet*, February 6, 2013; Reid Standish, "Still No Anti-Drug Trafficking Progress in Central Asia," *The Hidden Transcript*, March 1, 2013; "Cooperation and Geopolitics in the Central Asian Drug Trade," Center for World Conflict and Peace, May 17, 2013.

<sup>183</sup> U.S. House of Representatives, Committee on Foreign Affairs, Subcommittee on the Middle East and North Africa, Hearing on U.S. Counter-narcotics Operations in Afghanistan, February 5, 2014.

Guard and Kazakhstan forged the first Central Asian partnership in 1993. Kyrgyzstan and the Montana National Guard began a partnership in 1996. Tajikistan and the Virginia National Guard launched a partnership in 2003, and the Mississippi National Guard and Uzbekistan formed a partnership in 2012 (previously, Uzbekistan and the Louisiana National Guard had formed a partnership in 1996).<sup>184</sup>

In addition to the aid reported by the State Department's Office of the Coordinator of Assistance to Europe and Eurasia, the Defense Department provides classified and other aid to Central Asia.<sup>185</sup>

U.S. Central Command (USCENTCOM) in 1999 became responsible for U.S. military engagement in Central Asia. It cooperated with the European Command (USEUCOM), on the Caspian Maritime Security Cooperation program (similar to the former Caspian [Sea] Guard program). In 2008, General Bantz Craddock, then-Commander of USEUCOM, testified that the Caspian Maritime Security Cooperation program coordinated security assistance provided by U.S. agencies to Azerbaijan and Kazakhstan. He stated that U.S. Naval Forces Europe cooperated with U.S. Naval Forces Central Command "to promote maritime safety and security and maritime domain awareness in the Caspian Sea." Defense Department support for this program for Kazakhstan wound down in FY2008.<sup>186</sup> Russia objects to the involvement of non-littoral countries in Caspian maritime security and has appeared to counter U.S. maritime security aid by boosting the capabilities of its Caspian Sea Flotilla and by urging the littoral states to coordinate their naval activities exclusively with Russia.

All the Central Asian states except Tajikistan joined NATO's PFP by mid-1994 (Tajikistan joined in 2002). Central Asian troops have participated in periodic PFP (or "PFP-style") exercises in the United States since 1995, and U.S. troops have participated in exercises in Central Asia since 1997. A June 2004 NATO summit communiqué pledged enhanced Alliance attention to the countries of the South Caucasus and Central Asia, and the NATO Secretary General appointed a Special Representative for the Caucasus and Central Asia. Uzbekistan sharply reduced its participation in PFP after NATO raised concerns that Uzbek security forces had used excessive and disproportionate force in Andijon (however, it continued to permit Germany to use a base near Termez). Relations with NATO appeared to improve after 2008 (see below).

Kazakhstan's progress in military reform enabled NATO in January 2006 to elevate it to participation in an Individual Partnership Action Plan (IPAP). The third phase of the IPAP was approved in August 2012 and reportedly involves continued training for the Air-mobile Forces Brigade (Kazbrig) for possible peacekeeping support for U.N. or NATO operations. Such training

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<sup>184</sup> Donna Miles, "Guard Program Builds Partner Capacity, Relationships in USCENTCOM," *American Forces Press Service*, November 1, 2013; Daniel Resnick, "The National Guard State Partnership Program in Central Asia," *Security Assistance Monitor*, June 19, 2013.

<sup>185</sup> Analyst Joshua Kucera has called for the U.S. government to provide more comprehensive information on the level and type of U.S. security assistance to Central Asia. He also has urged greater policy attention to the possible misuse of security assistance by Central Asian governments, and for more emphasis on developmental and democratization assistance. See *U.S. Military Aid to Central Asia: Who Benefits?* Open Society Foundations, September 2012.

<sup>186</sup> House of Representatives, Armed Services Committee, *Statement of General Bantz J. Craddock, Commander, United States European Command*, March 13, 2008. Caspian Sea Maritime Proliferation Prevention aid to Kazakhstan was \$4 million in FY2005, \$5 million in FY2006, \$603,000 in FY2007, and \$153,000 in FY2008. Much more had been planned for FY2007-FY2008. No aid was requested for FY2009 or thereafter. U.S. Department of Defense, Defense Threat Reduction Agency, *Defense Threat Reduction Agency, Cooperative Threat Reduction Program, Fiscal Year (FY) 2009 Budget Estimates*, 2008.

has taken place at the PFP Training Center at the Military Institute of the Army in Almaty. Kazakhstan has stated that it does not plan to join NATO but wants to modernize its armed forces. According to analyst Roger McDermott, Kazakhstan has chosen to rely on Russia for its national security, so that its ties with NATO—while the most significant in Central Asia—will remain limited.<sup>187</sup> Examples of Kazakhstan’s use of training from the United States and NATO, as well as Russia, include the country’s hosting of a regular NATO PFP “Steppe Eagle” military exercise in August 2013, involving Kazbrig, which was followed by the CSTO Collective Peacekeeping Forces’ “Unbreakable Brotherhood 2013” exercise in Russia in October 2013.<sup>188</sup>

On March 7, 2014, the Kazakh Defense Ministry announced that it had informed the United Nations that it had selected 20 military officers as prepared for possible participation as U.N. peacekeepers.

## Closure of the Karshi-Khanabad Airbase

On July 5, 2005, the presidents of Uzbekistan, Kyrgyzstan, and Tajikistan signed a declaration issued during a meeting of the SCO that stated that “as large-scale military operations against terrorism have come to an end in Afghanistan, the SCO member states maintain that the relevant parties to the anti-terrorist coalition should set a deadline for the temporary use of ... infrastructure facilities of the SCO member states and for their military presence in these countries.”<sup>189</sup> Despite this declaration, none of the Central Asian leaders immediately called for closing the coalition bases. However, after the United States and others interceded so that refugees who fled from Andijon to Kyrgyzstan could fly to Romania, Uzbekistan on July 29 demanded that the United States vacate K2 within six months. On November 21, 2005, the United States officially ceased operations to support Afghanistan at K2. Perhaps indicative of the reversal of U.S. military-to-military and other ties, former pro-U.S. defense minister Qodir Gulomov was convicted of treason and received seven years in prison, later suspended. Many K2 activities shifted to the Manas airbase in Kyrgyzstan. Some observers viewed the closure of K2 and souring U.S.-Uzbek relations as setbacks to U.S. influence in the region and as gains for Russian and Chinese influence. Others suggested that U.S. ties with other regional states provided continuing influence and that U.S. criticism of human rights abuses might pay future dividends among regional populations.<sup>190</sup>

## Efforts to Improve Security Relations

Appearing to signal improving U.S.-Uzbek relations, in early 2008 Uzbekistan permitted U.S. military personnel under NATO command, on a case-by-case basis, to transit through an airbase near the town of Termez that it has permitted Germany to operate.<sup>191</sup> President Karimov attended the NATO Summit in Bucharest, Romania, in early April 2008 and stated that Uzbekistan was

<sup>187</sup> Roger McDermott, *Kazakhstan–Russia: Enduring Eurasian Defense Partners*, Danish Institute for International Studies, 2012.

<sup>188</sup> Richard Weitz, “Kazakhstan Steppe Eagle Exercise Helps Sustain NATO Ties,” *CACI Analyst*, September 18, 2013.

<sup>189</sup> *CEDR*, July 5, 2005, Doc. No. CPP-249.

<sup>190</sup> For further information, see CRS Report RS22295, *Uzbekistan’s Closure of the Airbase at Karshi-Khanabad: Context and Implications*, by Jim Nichol.

<sup>191</sup> “U.S. Military Returns to Ex-Soviet Uzbekistan,” *Agence France Presse*, March 6, 2008; “Only Germany Can Use Uzbek Bases Now,” *United Press International*, December 13, 2005.

ready to discuss the transit of nonlethal goods and equipment by NATO through Uzbekistan to Afghanistan. He announced in May 2009 that the United States and NATO had been permitted to use the Navoi airport (located between Samarkand and Bukhara in east-central Uzbekistan) for transporting nonlethal supplies to Afghanistan.

Representing the Obama Administration, Under Secretary of State William Burns visited Uzbekistan in early July 2009, and President Karimov assessed his talks with Burns as “positive.” In August 2009, General David Petraeus traveled to Uzbekistan and signed an accord on boosting military educational exchanges and training. Reportedly, these visits also resulted in permission by Uzbekistan for military air overflights of weapons to Afghanistan. Then-Assistant Secretary Blake visited Uzbekistan in November 2009 and stated that his meetings there were “a reflection of the determination of President Obama” to strengthen ties. He proposed that the two countries set up high-level annual consultations to “build our partnership across a wide range of areas. These include trade and development, border security, cooperation on narcotics, the development of civil society, and individual rights.”<sup>192</sup>

The first Annual Bilateral Consultation (ABC) took place in late December 2009 with a visit to the United States by an Uzbek delegation led by Foreign Minister Vladimir Norov. The two sides drew up a plan for cooperation for 2010 that involved an extensive range of diplomatic visits, increased military-to-military contacts, and investment and trade overtures, including the provision of Expanded IMET.<sup>193</sup> The second ABC took place in February 2011 with a visit to Uzbekistan led by then-Assistant Secretary Blake. The talks reportedly included security cooperation, trade and development, science and technology, counter-narcotics, civil society development, and human rights. A U.S. business delegation discussed means to increase trade ties. Blake reported that the United States had purchased \$23 million in Uzbek goods for transit to Afghanistan in FY2010.

The third ABC was held in August 2012, and like the second involved a visit to Tashkent by a U.S. delegation led by then-Assistant Secretary Blake. He reported that the meeting covered Uzbekistan’s support for U.S. operations in Afghanistan, energy, agriculture, health, parliamentary exchanges, education, science and technology, counter-narcotics, border security, counter-terrorism, religious freedom, trafficking in persons, and human rights. At an associated U.S.-Uzbek business forum, Assistant Secretary of State Blake raised concerns about currency convertibility and contract sanctity that hamper foreign investment. In a speech in October 2012, Blake stated that because of Uzbekistan’s poor human rights record, the United States provided it only non-lethal security assistance.<sup>194</sup>

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<sup>192</sup> U.S. Embassy in Tashkent, Uzbekistan, *Press Conference of Assistant Secretary for South and Central Asian Affairs Robert Blake*, October 14, 2009.

<sup>193</sup> *CEDR*, January 29, 2010, Doc. No. CEP-4019. The Defense Security Cooperation Agency (DSCA) defines Expanded IMET as a group of courses aimed at “educating U.S. friends and allies in the proper management of their defense resources, improving their systems of military justice ... and fostering a greater respect for, and understanding of, the principle of civilian control of the military. The program is based upon the premise that active promotion of democratic values is one of the most effective means available for achieving U.S. national security and foreign policy objectives.... For a country whose international military training program is very politically sensitive, the entire IMET program may consist of Expanded IMET training only.” See DSCA. *What is Expanded IMET?* At [http://www.dsc.osd.mil/programs/eimet/eimet\\_default.htm](http://www.dsc.osd.mil/programs/eimet/eimet_default.htm).

<sup>194</sup> U.S. Department of State, *Press Availability Following the U.S.-Uzbekistan Annual Bilateral Consultations*, August 17, 2012; Daniil Kislov, “U.S. Ambassador in Uzbekistan George Krol: ‘We Recognize Democracy May Develop and Look Differently in Uzbekistan,’” *Journal of Turkish Weekly*, September 25, 2012; *Remarks, Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs, [at] Indiana University's Inner Asian and Uralic* (continued...)

The fourth ABC was held in December 2013 with a visit to Washington, D.C., by Uzbek Foreign Minister Kamilov. The ABC was chaired on the U.S. side by Assistant Secretary Biswal. The State Department reported that political developments, regional stability and security, human rights and labor, education and cultural exchanges, and economic development and trade were discussed, but neither side provided any details.<sup>195</sup>

## The Manas Airbase/Transit Center

The Manas airbase (since 2009 called the Manas Transit Center; see below) became operational in December 2001 and uses some facilities of the international airport near Bishkek, the capital of Kyrgyzstan. According to a fact sheet prepared in early 2009 by the 376<sup>th</sup> Air Expeditionary Wing of the U.S. Air Force, the Manas airbase serves as the “premier air mobility hub” for operations in Afghanistan. Missions include support for personnel and cargo transiting in and out of the theater, aerial refueling, airlift and airdrop, and medical evacuation. Then-Secretary Clinton was told during her December 2010 visit to the Manas Transit Center that up to 3,500 troops every day, over 13 million pounds of cargo each month, and 117 million gallons of fuel each year were handled by the airbase.

In early 2006, Kyrgyz President Bakiyev reportedly requested that lease payments for use of the Manas airbase be increased to more than \$200 million per year but at the same time reaffirmed Russia’s free use of its nearby base.<sup>196</sup> By mid-July 2006, however, the United States and Kyrgyzstan announced that they had reached a settlement for the continued U.S. use of the airbase. Although not specifically mentioning U.S. basing payments, it was announced that the United States would provide \$150 million in “total assistance and compensation over the next year,” subject to congressional approval.

In September 2007, a U.S. military officer stated that the Manas airbase was moving toward “a sustainment posture,” with the replacement of most tents and the building of aircraft maintenance, medical, and other facilities.<sup>197</sup>

On February 3, 2009, then-President Bakiyev announced during a visit to Moscow that he intended to close the Manas airbase. Many observers speculated that the decision was spurred by Russia, which offered Bakiyev a \$300 million loan for economic development and a \$150 million grant for budget stabilization in the wake of the world economic downturn. Russia also stated that it would write off most of a \$180 million debt. The United States was notified on February 19, 2009, that under the terms of the status of forces agreement it had 180 days to vacate the airbase.

The Defense Department announced on June 24, 2009, that an agreement of “mutual benefit” had been concluded with the Kyrgyz government “to continu[e] to work, with them, to supply our

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(...continued)

*Natural Resource Center*, October 18, 2012.

<sup>195</sup> U.S. Department of State, Office of the Spokesperson, *Media Note: U.S.-Uzbekistan Annual Bilateral Consultations*, December 11, 2013.

<sup>196</sup> Perhaps indicating Kyrgyz pressure on Russia to compensate for use of the base, Russia in October 2006 pledged grant military assistance to Kyrgyzstan.

<sup>197</sup> Lt. Col. Michael Borgert, “Liberandos: Thank You for a Job Well Done,” 376<sup>th</sup> Expeditionary Services Squadron Public Affairs, September 9, 2007.

troops in Afghanistan, so that we can help with the overall security situation in the region.”<sup>198</sup> The agreement was approved by the Kyrgyz legislature and signed into law by then-President Bakiyev, to take effect on July 14, 2009. The agreement is for five years and is renewed yearly, unless both parties agree to end it. A yearly rent payment for use of land and facilities at the Manas airport would be increased from \$17.4 million to \$60 million per year and the United States had pledged more than \$36 million for infrastructure improvements and \$30 million for air traffic control system upgrades for the airport. The Kyrgyz foreign minister also stated that the United States had pledged \$20 million dollars for a U.S.-Kyrgyz Joint Development Fund for economic projects, \$21 million for counter-narcotics efforts, and \$10 million for counter-terrorism efforts.<sup>199</sup> All except the increased rent had already been appropriated or requested. The agreement also reportedly includes stricter host-country conditions on U.S. military personnel.<sup>200</sup>

Kyrgyzstan had also requested that French and Spanish troops who were deployed at Manas had to leave, and they had pulled out by October 2009. The French detachment (reportedly 35 troops and a tanker aircraft) moved temporarily to Dushanbe. The Spanish unit (reportedly 60 troops and two transport aircraft) moved temporarily to Herat, west Afghanistan, and Dushanbe was used temporarily as a stopover for troop relief flights. France and Spain have since reached accords with Kyrgyzstan and have returned to Manas.

### **The Status of the Manas Transit Center after the April 2010 Coup**

Initially after the April 2010 ouster of then-President Bakiyev, some officials in the interim government stated or implied that the conditions of the lease would be examined. However, on April 13, 2012, then-acting Prime Minister Roza Otunbayeva announced that the lease on the Manas Transit Center would be “automatically” renewed for one year. Meeting with then-Secretary Clinton on December 2, 2010, Otunbayeva stressed that the Manas Transit Center was a significant contributor to regional security and that Kyrgyzstan would support its operation at least through 2014 in line with U.S. Administration objectives for drawing down U.S. forces.<sup>201</sup>

In March 2012, then-Secretary of Defense Leon Panetta visited Bishkek, reportedly to obtain reassurances about the Kyrgyz government’s basing commitments. In early May 2012, however, President Atambayev stressed that the basing accord would not be extended when it came up for renewal in 2014, an announcement that was hailed by the Russian Foreign Ministry.

The U.S. Embassy in Bishkek has reported that in FY2013, the United States provided \$104.03 million (CRS total) in direct, indirect, and charitable expenses in connection with the Manas Transit Center; \$142.1 million in FY2012; \$150.6 million in FY2011, \$131.5 million in FY2010; and \$107.9 million in FY2009.

Of this FY2013 amount:

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<sup>198</sup> U.S. Department of Defense, *DoD News Briefing*, June 24, 2009. See also U.S. Department of State, *Daily Press Briefing*, June 25, 2009.

<sup>199</sup> Tolkun Namatbayeva, “Kyrgyzstan Allows U.S. to Keep Using Base,” *Agence France Presse*, June 23, 2009.

<sup>200</sup> See also CRS Report R40564, *Kyrgyzstan and the Status of the U.S. Manas Airbase: Context and Implications*, by Jim Nichol.

<sup>201</sup> U.S. Department of State, *Remarks With President Otunbayeva After Their Meeting*, Hillary Rodham Clinton, *Secretary of State*, December 2, 2010.



- \$60 million was a lease payment;
- \$16.75 million was landing and other fees and leases;
- \$58,800 was a contribution to Kyrgyz Aeronavigation;
- \$24.71 million was for building renovations and road repairs, for furniture and other equipment, for supplies and services, and other airport improvements;
- \$354,000 was for “programmatically humanitarian assistance”; and
- \$2.16 million was for other local spending

## Fuel Contract Developments

In December 2010, the majority staff of the Subcommittee for National Security and Foreign Affairs of the House Oversight Committee released a report on contracts awarded by the Defense Department’s Defense Logistics Agency (DLA) to the privately owned Red Star and its sister Mina firms for the supply of jet fuel for the Manas Transit Center.<sup>202</sup> According to the report’s findings, DLA did not know who owned Red Star or Mina until late 2010, did not claim to care whether contract funds were being misappropriated by the family of the then-president of Kyrgyzstan and his family, did not know that Russia’s state-owned Gazprom gas firm had an ownership interest in a subsidiary of the firms, and did not claim to know that the firms were using false certifications to obtain fuel from Russia. On the latter issue, Red Star and Mina had repeatedly informed DLA of the false certifications scheme, according to emails and other documents. The subcommittee argued that the use of such a scheme to obtain fuel and DLA’s apparent lack of reaction to the scheme opened the United States to excessive strategic vulnerability, since a sudden fuel cutoff by Russia could jeopardize U.S. military operations in Afghanistan.

In November 2010, DLA awarded Mina a \$315 million contract to continue supplying up to 120 million gallons of fuel to the Manas Transit Center for at least one more year. An amendment to the contract later highlighted by then-Secretary Clinton during her December 2010 visit to Kyrgyzstan provided for the possible addition of a second supplier for between 20 and 50% of the fuel.<sup>203</sup> The Kyrgyz government called for the Manas Refueling Complex—established in mid-2010 as a joint venture between the Kyrgyz government and Gazprom—to be named as the sole supplier and for Mina to be suspended from the contract. The report by the House Subcommittee raised concerns about more direct Russian involvement in fuel supplies, since the country has appeared to use its energy exports as a tool in foreign relations.<sup>204</sup>

In early February 2011, a U.S.-Kyrgyz agreement on fuel supplies was signed. A few days later, the Manas Refueling Complex was reincorporated as the Gazpromneft-Aero-Kyrgyzstan joint

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<sup>202</sup> U.S. House of Representatives, Committee on Oversight and Government Reform, Subcommittee on National Security and Foreign Affairs, *Mystery at Manas: Strategic Blind Spots in the Department of Defense’s Fuel Contracts in Kyrgyzstan*, Report of the Majority Staff, December 2010.

<sup>203</sup> U.S. Department of Defense, *Press Release*, November 4, 2010.

<sup>204</sup> Deirdre Tynan, “Kyrgyzstan: Manas Fuel Supplier Doubles Down on Good News,” *Eurasianet*, November 4, 2010; Deirdre Tynan, “Kyrgyzstan: Is Manas Fuel Contract Award Only the Start, not End of Intrigue?” *Eurasianet*, November 5, 2010; Deirdre Tynan, “Kyrgyzstan: Manas Fuel Supply Contract to Be Re-Opened?” *Eurasianet*, December 22, 2010; Deirdre Tynan, “Kyrgyzstan: Manas Fuel Supplier Hitting Back at Bishkek,” *Eurasianet*, January 4, 2011.

venture, with Kyrgyzstan as the minority partner (with 49% of the shares). The U.S. Defense Logistics Agency placed its first order for fuel with Gazpromneft-Aero-Kyrgyzstan on September 26, 2011, to initially supply 20% of the Transit Center's aviation fuel needs (estimated at up to 12 million gallons per month), potentially reaching 50% or more by the end of the year. According to one report, the fuel is directly supplied from Gazprom's oil refineries and transported by the Russian Transoil company to the transit center.<sup>205</sup>

On October 26, 2011, the Defense Logistics Agency (DLA) announced that it had awarded a one-year contract for 2012 for the provision of fuel to the Manas Transit Center to World Fuel Services Europe (WFSE), a subsidiary of a U.S.-based firm. Under the contract, WFSE cooperated with Gazpromneft-Aero Kyrgyzstan (GAK) to fulfill the aviation fuel needs of the Transit Center. WFSE was to provide a minimum of 10% of the fuel requirements of the Transit Center and a maximum of 100%, with GAK possibly being called upon to provide up to 90% of the monthly aviation fuel supplies based on its capabilities and performance. The U.S. Embassy in Bishkek stated that the new contract aimed "to ensure a stable, secure, and uninterrupted supply of fuel" to the Transit Center.<sup>206</sup>

The U.S. Embassy in Bishkek has reported that DLA provided \$208.1 million to GAK for jet fuel in FY2012 and \$158.8 million in FY2013. According to some reports, DLA also may have purchased jet fuel from Turkmenistan and Azerbaijan, in order to diversify the sources of supply and not rely exclusively on Russia as a source.<sup>207</sup>

## The Wind-down of the Manas Transit Facility

In June 2013, the Kyrgyz legislature approved a bill to close the Manas Transit Center when its lease expired in July 2013, and it was signed into law by President Atambayev on June 26, 2013.

On October 18, 2013, the Defense Department issued a release stating that it had begun to relocate personnel and material from the Manas Transit Center and planned to transfer the facilities to the Kyrgyz government by July 2014.<sup>208</sup>

The Mihail Kogalniceanu air base in eastern Romania has begun to serve as a transit hub for military personnel entering Afghanistan and for the egress of some material from Afghanistan.<sup>209</sup> Refueling functions carried out by the Manas Transit Center were transferred to Mazar-i-Sharif, according to one report.

The Transit Center reported that the air refueling mission at Manas ended on February 24, 2014. On March 3, 2014, the Transit Center reported that remaining missions, including personnel and cargo airlift and humanitarian programs in Kyrgyzstan had ceased. *Reuters* reported that Colonel

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<sup>205</sup> Deidre Tynan, "Kyrgyzstan: Manas Fuel Contract Goes to Kyrgyz-Russian Venture," *Eurasianet*, September 27, 2011; *CEDR*, September 28, 2011, Doc. No. CEP-950073.

<sup>206</sup> U.S. Department of State, Embassy of the United States in Bishkek, Kyrgyzstan, *Manas Fuel Contract Award*, October 27, 2011; Deirdre Tynan, "Kyrgyzstan: The End of an Era at Manas Air Base," *Eurasianet*, October 27, 2011.

<sup>207</sup> Joshua Kucera, "Turkmenistan Big Beneficiary Of Pentagon Money, While Uzbekistan Lags," *Eurasianet*, December 3, 2012.

<sup>208</sup> U.S. Department of Defense, *News Release: DOD to Relocate from the Transit Center at Manas International Airport and Return Facilities to the Government of Kyrgyzstan*, October 18, 2013.

<sup>209</sup> Chris Carroll, "DOD to Shift Air Transit from Manas to Romania," *Stars and Stripes*, October 18, 2013.

John Millard, commander of the 376th Air Expeditionary Wing and the head of the Transit Center, stated that “we will have this installation and all U.S. personnel moved no later than July 10.” He also reportedly stated that during the base’s operation, it had handled more than 33,500 refueling missions, transported more than 5.3 million servicemen into and out of Afghanistan, and carried out 42,000 cargo missions.<sup>210</sup>

In late February 2014, a memorandum of understanding was signed between the Kyrgyz government and Russia’s Rosneft state-controlled oil firm on investing in the Manas international airport.

## The Northern Distribution Network to and from Afghanistan

Because supplies transiting Pakistan to Afghanistan frequently were subject to attacks, General David Petraeus, the then-Commander of the U.S. Central Command, visited Kazakhstan and Tajikistan in late January 2009 to negotiate alternative air, rail, road, and water routes for the commercial shipping of supplies to support NATO and U.S. operations in Afghanistan (he also visited Kyrgyzstan to discuss airbase issues; see below). To encourage a positive response for this Northern Distribution Network (NDN), the U.S. embassies in the region announced that the United States hoped to purchase many nonmilitary goods locally to transport to the troops in Afghanistan. Kazakhstan and Tajikistan permitted such transit in February 2009, Uzbekistan permitted it in April 2009, and Kyrgyzstan permitted it in July 2009 (Georgia had given such permission in 2005, Russia in 2008, and Azerbaijan in March 2009).

There are broadly three land routes: one through the South Caucasus into Central Asia; one from the Baltic states through Russia, Kazakhstan, and Uzbekistan; and one from the Baltic states through Russia, Kazakhstan, Kyrgyzstan, and Tajikistan. Although some small cargoes reportedly were sent along the route on an ad hoc basis in late 2008, a much-publicized rail shipment of nonlethal supplies entered Afghanistan in late March 2009 after transiting Latvia, Russia, Kazakhstan, and Uzbekistan.<sup>211</sup> During his confirmation hearing in July 2011 as Commander of the U.S. Transportation Command (USTRANSCOM), General William Fraser stated that the aim then was to boost the percentage of surface transit through the NDN.<sup>212</sup> The Senate Foreign Relations Committee reported in late 2011 that almost three-fourths of the nonlethal surface shipments to Afghanistan were being transported via the NDN (this amount increased to virtually all surface transport following Pakistan’s halt to shipments from late November 2011 to early July 2012).<sup>213</sup> Supplementing land routes, Uzbekistan’s Navoi airport reportedly is being used to

<sup>210</sup> U.S. Air Force, Transit Center at Manas, Staff Sgt. Travis Edwards, “Manas KC-135s Complete Final Mission, Leave Kyrgyzstan,” at <http://www.manas.afcent.af.mil/news/story.asp?id=123401264>, February 25, 2014; Jeff Schogol, “End Draws Near for U.S. Military Hub in Kyrgyzstan,” *Marine Times*, February 26, 2014; Transit Center at Manas, “Goodbye Airlift, Hello Closure,” March 3, 2014, at <http://www.manas.afcent.af.mil/news/story.asp?id=123402047>; “‘Mission Accomplished’ for U.S. Air Base in Pro-Moscow Kyrgyzstan,” *Reuters*, March 6, 2014.

<sup>211</sup> “Northern Route Eases Supplies to U.S. forces in Afghanistan,” International Institute of Strategic Studies, August 2010; Steve Geary, “Northern Distribution Network to Shore Up Afghan Supply Chain,” *Defense Logistics*, June 28, 2010; “Supply Chain Council Recognizes Alternative Afghanistan Distribution Network,” *Journal of Transportation*, May 8, 2010.

<sup>212</sup> U.S. Senate, Committee on Armed Services, Confirmation Hearing for William M. Fraser to be Commander, U.S. Transportation Command, August 2, 2011. See also Subcommittee on Seapower, Hearing on the FY2012 Budget Request for Strategic Airlift Aircraft, July 13, 2011.

<sup>213</sup> U.S. Senate, Committee on Foreign Relations, *Central Asia And The Transition In Afghanistan: A Majority Staff* (continued...)

transport supplies to Afghanistan. After aircraft land at Navoi, the supplies are sent by rail and truck to Afghanistan.<sup>214</sup>

In August 2011, shipments began along a 50-mile rail line that was completed from the town of Hairatan, on Afghanistan's border with Uzbekistan, to the city of Mazar-e-Sharif in Afghanistan.<sup>215</sup> Reportedly, the bulk of ISAF cargo containers shipped through the NDN eventually enter Afghanistan via this Uzbekistan-Afghanistan rail link. U.S. Defense Department officials reportedly long have been concerned that officials in Uzbekistan delay the transit of freight across the border into Afghanistan until bribes are paid by various commercial shippers.

Among the reported local purchases of supplies as incentives to regional countries to facilitate NDN shipments are food items, lumber, cement, rebar, corrugated and galvanized steel, and fuel drums. According to one report, the U.S. military greatly increased its purchases of local supplies for Afghanistan in FY2012, spending about \$1.3 billion, including \$820.5 million in Turkmenistan (presumably for jet fuel and transport). To expand such purchases, the Defense Logistics Agency reportedly posted liaison officers in Kazakhstan and Uzbekistan, and it planned to at least match this pace of purchases in FY2013.<sup>216</sup>

Besides commercial shipping of nonlethal cargoes, the regional governments allegedly have quietly given U.S. and NATO military aircraft over-flight privileges for the transport of weapons and troops to Afghanistan. At the July 2009 U.S.-Russia summit, Russia openly announced that it was permitting such overflights. Some observers suggested that the announcement was linked to the assertion of some Russian officials that such transport could substitute for U.S. and NATO use of Manas and other Central Asian airbases. Presidents Obama and Nazarbayev reportedly agreed in principle to air flights of troops and unspecified equipment, including along a circumpolar route transiting Kazakhstan, during their meeting in April 2010, and an air transit agreement was signed on November 12, 2010.

Most of the Central Asian governments gave permission in 2012 for the egress of supplies and troops from Afghanistan in line with U.S. and NATO plans to draw down military operations in Afghanistan by late 2014. Then-Assistant Secretary Blake reported in August 2012 that discussions were underway within the U.S. government on how much and what types of equipment removed from Afghanistan might be declared Excess Defense Articles (EDA) and provided to regional governments. He indicated that the U.S. government probably would not provide Uzbekistan with lethal EDA (weaponry), but might well provide military vehicles. He suggested that Uzbekistan's support for the NDN may have raised the ire of terrorist organizations, so that "it is very much in our interest to help Uzbekistan defend itself against such attacks." At the same time, he dismissed concerns that military assistance provided to Uzbekistan

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(...continued)

*Report*, December 19, 2011.

<sup>214</sup> A circum-polar air route from the United States transiting Russia and Central Asia to Afghanistan also has begun to be used. Marcus Weisgerber, "Afghanistan War Spurred Big Changes for Logistics Community," *Federal Times*, September 19, 2011.

<sup>215</sup> "Uzbek Corridor of Afghan Supply Plagued by 'Informal Payments,'" *The Times of Central Asia*, July 2, 2010; "Construction of Hairatan-Mazar-e-Sharif Railroad Completed" *Uzbekistan Daily*, November 16, 2010.

<sup>216</sup> Joshua Kucera, "Turkmenistan Big Beneficiary Of Pentagon Money, While Uzbekistan Lags," *Eurasianet*, December 3, 2012. Purchases were reported to be \$137.3 million in Kazakhstan, \$218.1 million in Kyrgyzstan, \$11.7 million in Tajikistan, and \$105.9 million in Uzbekistan.

could be misused.<sup>217</sup> According to some observers, Uzbekistan withdrew from the CSTO at least in part in the hope of obtaining funds and equipment from the United States and NATO during the withdrawal of forces from Afghanistan.<sup>218</sup> One Russian newspaper reported in November 2012 that Russian officials had offered large military aid packages to Kyrgyzstan and Tajikistan, at least in part to convince these countries not to accept excess equipment from the United States, which these officials presumed would come with strings attached, including technical advisory assistance.<sup>219</sup>

According to one plan discussed by USCENTCOM in late 2012 for the egress from Afghanistan of rolling stock (equipment with wheels or tracks that is self-propelled or can be towed) or non-rolling stock (all other equipment), almost one-quarter (500 out of 2,200 containers and vehicles) was proposed to be evacuated by rail or road through Central Asia. It was proposed that over one-half be evacuated through Pakistan, and almost one-quarter of containers and vehicles be flown to Dubai or Jordan.<sup>220</sup>

These plans changed somewhat during 2013, however, reportedly at least in part because of continuing problems with cargo transit through Uzbekistan. According to one USTRANSCOM official in October 2013, the command was still keeping NDN routes “warm as a result of needing to possibly go back” to heavier use of the routes in case of renewed problems with egress through Pakistan. The official stated that the shipment of material through the NDN took two to three times longer than through Pakistan, because of the necessity of clearing customs in several transit states and trans-loading from truck to rail to ship.<sup>221</sup> According to some reports, only a small percentage of material entering or leaving Afghanistan was moving through the NDN during the latter part of 2013 and early 2014, although efforts are being made, as noted, to preserve and enhance the NDN for future possible shipments.<sup>222</sup>

In testimony on February 27, 2014, Air Force General William Fraser, Commander of USTRANSCOM, stated that the possible removal of all U.S. troops and material from Afghanistan could be accomplished by the end of 2014 if a U.S.-Afghanistan status of forces agreement is not renewed, including by using the NDN.<sup>223</sup> Since Russia’s invasion of Ukraine’s Crimea region at the end of February 2014, the reliability of NDN routes through Russia may become more problematic.

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<sup>217</sup> U.S. Department of State, *On-the-Record Briefing With International Media: Robert O. Blake, Jr., Assistant Secretary, Bureau of South and Central Asian Affairs*, August 15, 2012.

<sup>218</sup> Karimjan Akhmedov and Evgeniya Usmanova, “Afghanistan Withdrawal: The Pros and Cons of Using the Northern Distribution Network,” *Eurasianet*, September 12, 2012.

<sup>219</sup> *Kommersant*, November 6, 2012; Joshua Kucera, “Report: Russia Spending \$1.3 Billion To Arm Kyrgyzstan, Tajikistan,” *Eurasianet*, November 7, 2012. Other reasons for the boosted aid reportedly included preparing these countries for the post-2014 security situation in Afghanistan. Lastly, the boosted aid had been pledged as a *quid pro quo* after both countries had extended military basing leases with Moscow.

<sup>220</sup> Joshua Kucera, “U.S. Mapping Out Afghanistan Exit,” *Eurasianet*, November 21, 2012.

<sup>221</sup> Marcus Weisgerber, “Interview: Lt. Gen. Kathleen Gainey, Retiring No. 2 at U.S. Transportation Command,” *Defense News*, October 20, 2013.

<sup>222</sup> U.S. Army, Lt. Col. Charmaine Lywe and Lt. Col. Brittany Stewart, “Building support for NDN Retrograde,” *Translog*, January 30, 2014.

<sup>223</sup> U.S. House of Representatives, Committee on Armed Services, Hearing on the Posture of the U.S. Special Operations Command and U.S. Transportation Command, *Testimony of General William M Fraser III, USAF Commander, U.S. Transportation Command*, February 27, 2014; Sandra Erwin, “Afghanistan ‘Zero Option’ Creates Challenges for Military Logisticians,” *National Defense*, February 27, 2014.

Consolidated Appropriations for FY2012 requires the Secretary of State to submit a report to Congress on all U.S. assistance to Uzbekistan and “expenditures made in support of” the NDN, to include credible information on the diversion of assistance or expenditures for corrupt purposes. Consolidated Appropriations for FY2014 likewise requires this report, but also directs that the report be unclassified, though it may be accompanied by a classified annex (see below, “113th Congress Legislation”).

## Weapons of Mass Destruction

Major U.S. security interests have included elimination of nuclear weapons remaining in Kazakhstan after the breakup of the Soviet Union and other efforts to control nuclear proliferation in Central Asia. The United States has tendered aid aimed at bolstering their export and physical controls over nuclear technology and materials, in part because of concerns that Iran is targeting these countries.<sup>224</sup>

After the Soviet breakup, Kazakhstan was on paper a major nuclear weapons power (in reality Russia controlled these weapons). In December 1993, the United States and Kazakhstan signed a Cooperative Threat Reduction (CTR) umbrella agreement for the “safe and secure” dismantling of 104 SS-18s, the destruction of silos, and related purposes. All bombers and their air-launched cruise missiles were removed by late February 1994 (except seven bombers destroyed with U.S. aid in 1998). The SS-18s were eliminated by late 1994. On April 21, 1995, the last of about 1,040 nuclear warheads had been removed from SS-18 missiles and transferred to Russia, and Kazakhstan announced that it was nuclear weapons-free. The United States reported that 147 silos had been destroyed by September 1999. A U.S.-Kazakh Nuclear Risk Reduction Center in Almaty was set up to facilitate verification and compliance with arms control agreements to prevent the proliferation of WMD.

Besides the Kazakh nuclear weapons, there are active research reactors, uranium mines, milling facilities, and dozens of radioactive tailing and waste dumps in Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. Many of these sites reportedly were inadequately protected against theft and CTR aid has been used to assist in securing them. Kazakhstan is reported to possess one-fourth of the world’s uranium reserves, and Kazakhstan and Uzbekistan have been among the world’s top producers of low-enriched uranium.

Among Kazakhstan’s nuclear sites was a fast breeder reactor at Aktau that was the world’s only nuclear desalinization facility. In 1997 and 1999, U.S.-Kazakh accords were signed on decommissioning the Aktau reactor. Shut down in 1999, it had nearly 300 metric tons of uranium (some highly enriched) and plutonium (some weapons-grade) spent fuel in storage pools. CTR aid was used to facilitate transporting 600 kg of highly enriched uranium (HEU) from Kazakhstan to the United States in 1994, 2,900 kg of up to 26% enriched nuclear fuel from Aktau to Kazakhstan’s Ulba facility in 2001 (which Ulba converted into less-enriched fuel), and 162.5 lb. of HEU spent fuel from Aktau to Russia in May 2009. In the latter instance, the material originally had been provided by Russia to Kazakhstan, and was returned to Russia in a series of four shipments by rail for storage between December 2008 and May 2009. In November 2010,

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<sup>224</sup> A Treaty on the Central Asian Nuclear Weapons Free Zone entered into force in January 2009. All five Central Asian states are signatories. The Treaty prohibits the development, manufacture, stockpiling, acquisition, or possession of nuclear explosive devices within the zone. See CRS Report RL31559, *Proliferation Control Regimes: Background and Status*, coordinated by Mary Beth D. Nikitin.

CTR aid was used to facilitate the shipment of the last of more than 10 metric tons of highly enriched uranium and three metric tons of weapons-grade plutonium from Aktau to a newly constructed storage site 1,800 miles away at the former Semipalatinsk Test Site in East Kazakhstan Region.<sup>225</sup>

Kazakhstan and Uzbekistan hosted major chemical and biological warfare (CBW) facilities during the Soviet era. CTR and Energy Department (DOE) funds have been used in Kazakhstan to dismantle a former anthrax production facility in Stepnogorsk, to remove some strains to the United States, to secure two other BW sites, and to retrain scientists. CTR funding was used to dismantle Uzbekistan's Nukus chemical weapons research facility. CTR aid also was used to eliminate active anthrax spores at a former CBW test site on an island in the Aral Sea. These latter two projects were completed in 2002. Other CTR aid helps keep former Uzbek CBW scientists employed in peaceful research. Kazakhstan and Uzbekistan receive ongoing Cooperative Biological Engagement assistance for disease surveillance and diagnostic laboratories and electronic disease reporting. Uzbekistan has continued to cooperate with the Departments of Defense and Energy—even after it restricted other ties with the United States in 2005—to receive radiation monitoring equipment and training.

In a joint U.S.-Kazakhstan-Russia statement and other remarks at the nuclear security summit in Seoul, South Korea, in March 2012, the United States hailed Kazakhstan's efforts to secure nuclear materials inherited from the former Soviet Union as guidelines for other global nuclear non-proliferation efforts.<sup>226</sup>

## 113<sup>th</sup> Congress Legislation

H.R. 3547 (Lamar), Consolidated Appropriations Act, 2014. Introduced on November 20, 2013. Passed the House on December 2, 2013. Passed the Senate on December 12, 2013. House agreed to the Senate amendment on January 15, 2014. Senate concurred in the House amendment on January 16, 2014. Signed into law on January 17, 2014 (P.L. 113-76). Sec. 7044 calls for \$150 million for programs in South and Central Asia related to the transition in Afghanistan, including expanding linkages between Afghanistan and the wider region. The section also calls for funds provided under the heading 'Economic Support Fund' for assistance for Afghanistan and Pakistan to be expended for cross border stabilization and development programs between Afghanistan and Pakistan, or between either country and the Central Asian countries. Sec. 7060, sector allocations, Part (c) environmental programs, directs that international financial institutions be informed that it is the policy of the United States to oppose any loan, grant, strategy or policy of such institution to support the construction of any large hydroelectric dam. Sec. 7061 continues conditions of previous years on assistance to the government of Uzbekistan, and continues a waiver provision. The section also continues language requiring the Secretary of State to submit a report to Congress on all U.S. assistance to Uzbekistan and "expenditures made in support of" the NDN,

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<sup>225</sup> U.S. Department of Energy, National Nuclear Security Administration, *Press Release: Joint Statement By Co-Chairs of the U.S.-Kazakhstan Energy Partnership On Successful Completion of the U.S.-Kazakhstan BN-350 Spent Fuel Program*, November 17, 2010; *Press Release: NNSA Secures 775 Nuclear Weapons Worth of Weapons-Grade Nuclear Material from BN-350 Fast Reactor in Kazakhstan*, November 18, 2010.

<sup>226</sup> The White House, Office of the Press Secretary, *Remarks by President Obama and President Nursultan Nazarbayev of the Republic of Kazakhstan Before Bilateral Meeting*, March 26, 2012; *Joint Statement of the Presidents of the Republic of Kazakhstan, the Russian Federation, and the United States of America Regarding the Trilateral Cooperation at the Former Semipalatinsk Test Site*, March 26, 2012.

but specifies that the report be unclassified, although it may be accompanied by a classified annex. The law also extends a provision permitting expanded IMET assistance for Uzbekistan. Sec. 7071 calls for funds to be made available for democracy and rule of law programs in Soviet successor states, and for a report to be submitted on a multi-year strategy for such programs

H.R. 301 (Wolf). To provide for the establishment of the Special Envoy to Promote Religious Freedom of Religious Minorities in the Near East and South Central Asia. Introduced on January 15, 2013. Passed the House on September 18, 2013. On September 19, 2013, received in the Senate and referred to the Committee on Foreign Relations.

H.Res. 284 (Turner). Expressing the sense of the House of Representatives with respect to promoting energy security of European allies through opening up the Southern Gas Corridor. Calls for working with the Governments of Turkey, Azerbaijan, and Georgia and its partners to make available additional gas and oil supplies to that market. Introduced on June 27, 2013. On September 19, 2013, was forwarded by the Subcommittee on Europe, Eurasia, and Emerging Threats to the Full Committee on Foreign Affairs (Amended) by unanimous consent.

**Table 2. U.S. Foreign Assistance to Central Asia, FY1992 to FY2015**

(millions of current dollars)

Central Asian Country	FY1992 thru FY2010 Budgeted <sup>a</sup>	FY2011 Actual <sup>b</sup>	FY2012 Actual <sup>b</sup>	FY2013 Actual <sup>b</sup>	FY2014 Estimate <sup>b</sup>	FY2015 Request <sup>b</sup>
Kazakhstan	2,050.4	17.57	19.29	12.526	9.761	8.347
Kyrgyzstan	1,221.71	41.36	47.4	47.11	45.287	40.05
Tajikistan	988.57	44.48	45.09	37.47	34.479	26.89
Turkmenistan	351.55	11.01	9.2	5.468	5.473	4.85
Uzbekistan	971.36	11.34	16.73	11.378	11.278	9.79
Regional	130.44	23.15	8.22	17.105	25.928	23.8
Total	5,714.03	148.91	145.92	131.057	132.206	113.727
As a percentage of aid to Eurasia	14%	26%	34%	37%	40%	54%

**Sources:** State Department, Office of the Coordinator of U.S. Assistance to Europe and Eurasia; State Department, *Congressional Budget Justification: Department of State, Foreign Operations, and Related Programs for FY2015*, March 4, 2014 (Account Tables added March 21, 2014).

- a. Includes funds from the Aid for Europe, Eurasia, and Central Asia (AEECA) account and Agency budgets. Excludes some classified coalition support funding.
- b. Includes funds from the Aid for Europe, Eurasia, and Central Asia account (AEECA) and other "Function 150" programs through FY2012; since FY2013, aid to Central Asia has been included in the Economic Support Fund and other "Function 150" programs. Does not include Defense or Energy Department funds or funding for exchanges. Country totals for FY2013-FY2015 do not include NADR, which is not broken out in the account tables cited above.



**Table 3. U.S. Assistance to Central Asia, FY1992-FY2001**

(millions of current dollars)

Country	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Kazakhstan	20.33	51.47	202.75	138.85	79.32	53.52	75.85	72.60	77.95	80.01
Kyrgyzstan	13.03	108.22	90.36	44.43	63.63	23.85	50.29	61.12	49.73	43.07
Tajikistan	11.61	33.72	45.26	33.71	45.36	14.75	36.57	38.16	38.69	76.48
Turkmenistan	14.71	57.28	22.38	21.82	25.33	6.25	8.94	15.94	10.91	12.57
Uzbekistan	5.62	15.00	34.07	14.44	23.34	30.88	26.84	46.88	39.06	48.33
Regional	0.00	0.00	0.00	0.00	20.00	0.60	7.87	0.00	4.50	7.57
<b>Total</b>	<b>2057.3</b>	<b>2258.69</b>	<b>2388.82</b>	<b>2248.25</b>	<b>2252.98</b>	<b>2126.85</b>	<b>2204.36</b>	<b>2233.7</b>	<b>2220.84</b>	<b>2269.03</b>

**Source:** Derived from U.S. Department of State, Office of the Coordinator for Europe and Eurasia.**Note:** Includes all agencies and accounts.**Table 4. U.S. Assistance to Central Asia, FY2002-FY2010 (and Totals, FY1992-FY2010)**

(millions of current dollars)

Country	2002	2003	2004	2005	2006	2007	2008	2009	2010	Total (FY1992- FY2010)
Kazakhstan	97.4	97.88	111.00	84.91	81.31	167.55	179.52	220.28	157.90	<b>2,050.4</b>
Kyrgyzstan	94.47	53.85	55.25	55.23	43.44	71.25	71.23	111.74	117.52	<b>1,221.71</b>
Tajikistan	136.34	48.71	53.01	65.69	42.81	49.94	67.33	67.44	82.99	<b>988.57</b>
Turkmenistan	18.93	10.98	10.42	18.94	10.44	19.84	16.83	20.78	28.26	<b>351.55</b>
Uzbekistan	224.14	90.77	84.25	78.28	49.30	35.90	38.33	48.55	37.38	<b>971.36</b>
Regional	13.88	9.99	3.41	5.02	5.43	7.59	6.66	25.71	12.21	<b>130.44</b>
<b>Total</b>	<b>2587.16</b>	<b>2315.18</b>	<b>2321.34</b>	<b>2313.07</b>	<b>2238.73</b>	<b>2359.07</b>	<b>2387.9</b>	<b>2503.5</b>	<b>2446.26</b>	<b>5,714.03</b>

**Source:** Derived from U.S. Department of State, Office of the Coordinator for Europe and Eurasia.**Note:** Includes all agencies and accounts.

**Figure 1. Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan**



Source: CRS (September 2010).

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