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**KAZAKHSTAN**

## SUCCESS STORY

# Community-focused Education Puts Judicial Resources in Hands of Local Business Leaders

**USAID program gives business community the tools to improve contracts**



Photo: Tatyana Pushkina

*Above, participants in the arbitration seminar.*

**“This training was really informative and interesting to me. Prior to this training I did not have clear information about arbitration in Kazakhstan. I’ve never worked with arbitration. I hope the USAID will organize more trainings on arbitration, because this is of high interest to all lawyers.”**

– Aigul Baigazina, lawyer from mining company *Koktas-Aktobe*.

In November 2010 the USAID Judicial Education Project trained economic court judges on international arbitration issues in The Hague. The program focused on the best practices of international arbitration courts and their experience in the enforcement of arbitral awards.

In March 2011, Aliya Nazarova, a judge from the Aktobe economic court who participated in The Hague program, shared her new knowledge with judges from her home court and the lawyers working in her surrounding business community. She paired up with another Hague program participant from the Kazakhstan International Arbitrage (KIA) to provide her colleagues and community members with concrete and practical information about the use of arbitration in Kazakhstan.

Judges appreciate training, especially in emerging and complex commercial law issues. In Kazakhstan, the Supreme Court and Institute of Justice help provide judges with regular access to training opportunities. Judge Nazarova realized that improving the use of arbitration in Kazakhstan requires outreach to judges as well as to the lawyers representing businesses. She invited attorneys representing Aktobe mining companies and entrepreneurs to her peer seminar. For many of these participants, Judge Nazarova’s session was their first opportunity to receive training on arbitration. Lawyers knew that arbitration clauses were frequently written into the contracts they wrote, but they didn’t fully understand the benefits of arbitration versus a court action. These include expediency, confidentiality, economy and flexibility for parties to reach a mutual agreement.

Business community participants find the discovery of KIA’s expertise and access to information about arbitration particularly valuable. “I appreciate this seminar. I’d like to learn more about the effective use of the arbitration clause in contracts and more about the enforcement of judgments. The fact is that we did not know enough about arbitral institutions and their work in Kazakhstan. This information will be necessary for me in the future when we conclude contracts with other foreign companies,” said Alena Laikova, a lawyer from a gas mining company.

Echoing the enthusiasm of many who have expressed interest in trainings offered not only in Aktobe but also in Almaty, Astana and other regions, Zhanna Nevzhinskaya, a lawyer from the *Aktobemunaygas* company, added, “I am really happy that I had an opportunity to participate in this. It will help me be more qualified and knowledgeable.”

With a new awareness about the more than 100 registered and certified arbiters in Kazakhstan and a re-invigorated demand for further education on arbitration and mediation, judges in Kazakhstan will likely see more disputes resolved through arbitration and companies will benefit from a less costly and relatively quick alternative for resolving commercial disputes.