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C O N F I D E N T I A L SECTION 01 OF 05 ASTANA 001770

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SUBJECT: CURRENT U.S.-KAZAKHSTANI NON-PROLIFERATION PROGRAMS

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Classified By: Ambassador Richard E. Hoagland: 1.4 (b), (d)

1. (C) SUMMARY: The U.S. government provided about \$77 million in security assistance to Kazakhstan in 2008; more than half -- \$44 million -- was allocated under the Cooperative Threat Reduction

Agreement (CTR). Through one of the CTR's key programs, bilateral teams have eliminated 181 nuclear test tunnels located on the former Semipalatinsk Test Site (STS), and minimized the threat from the residue of nuclear activity at Semipalatinsk by increasing security at specific test-site locations. The United States and Kazakhstan are working together in other CTR programs to safely store spent-fuel, and convert reactors from using highly-enriched uranium to low-enriched uranium. To prevent the proliferation of bio-weapons materials and expertise, bilateral programs are enhancing biosecurity, biosafety, and cooperative biological research. Other security assistance programs, including 1206, Foreign Military Finance (FMF), and International Military Education and Training (IMET) programs, also strengthened Kazakhstan's capabilities to detect and counter proliferation of weapons of mass destruction, particularly in the Caspian Sea region. Kazakhstan is a full and supportive partner of the United States on non-proliferation, and the United States continues to encourage Kazakhstan to strengthen its ability to counter the proliferation of weapons of mass destruction (ref A). END SUMMARY.

#### THE CORNERSTONE OF THE OUR DIPLOMATIC RELATIONSHIP

2. (SBU) In 1993, the United States and Kazakhstan signed a range of bilateral implementing agreements, commonly known as the Cooperative Threat Reduction Agreement (CTR). In December 2007, Ambassador Erlan Idrissov signed an amended extension of the CTR, which Kazakhstan's Mazhilis (parliament) ratified on May 13, 2009, and President Nazarbayev signed into law on June 2. Kazakhstan's Ministry of Energy and Mineral Resources (MEMR) remains the major Kazakhstani implementing agency in partnership with the U.S. Defense Threat Reduction Agency (DTRA) and the Department of Energy (DOE). Since 1993, the Department of Defense (DoD), Department of Energy (DOE), and Department of State (DOS) have spent over \$400 million, \$164 million and \$78 million, respectively, under the CTR.

#### NUCLEAR TEST TUNNELS ELIMINATED AND TEST-SITE BETTER SECURED

3. (C) After the successful elimination of 181 nuclear test tunnels located on the former Semipalatinsk Test Site (STS), the Defense Threat Reduction Agency (DTRA) funded the Weapons of Mass Destruction-Proliferation Prevention Initiative (WMD-PPI). Since 2000, U.S and Kazakhstani teams completed five projects to eliminate or minimize the threat from the residue of nuclear activity (RONA) by increasing security at specific test site locations selected by the U.S. Department of Defense and the Russian Federation through bilateral consultations. DTRA provided physical security enhancements that include warning signs, barriers, unattended ground sensors (UGS), unmanned aerial vehicles (UAVs), patrol vehicles, and other equipment required for Kazakhstan to maintain an adequate security presence and remote monitoring capability on the STS. Currently, with the government of Kazakhstan's cooperation, one DTRA project to provide additional security at STS is running ahead of schedule (ref A).

#### DEFENSE ASSISTANCE STRENGTHENS BORDERS -- ESPECIALLY ON THE CASPIAN

4. (C) The Weapons of Mass Destruction-Proliferation Prevention Initiative (WMD-PPI) spent over \$12 million in 2008 to help Kazakhstan develop a WMD detection and interdiction capability, particularly in the Caspian Sea region. While cooperation by the ASTANA 00001770 002 OF 005 Border Guards was good at the working level, senior-level officials, dominated by the Committee for National Security (KNB), refused to cooperate, leading the United States to suspend the program. DoD trained Kazakhstani counterparts on prevention of radiological proliferation and maritime boarding operations. Counter-terrorism security assistance through the 1206 program -- \$12 million in 2008 -- helped

Kazakhstan increase its ability to detect and respond to terrorist activities on the Caspian Sea through the provision of vehicles, boats, body armor, a docking facility, night vision and communications equipment, and training courses.

#### NEW CONTRACTOR SELECTED TO ASSIST KAZAKHSTAN ON BIO-SECURITY

5. (SBU) Through the Biological Threat Reduction Program (BTRP) program, the DoD assists Kazakhstan in the prevention of proliferation of bio-weapons materials and expertise. In terms of biological weapons infrastructure elimination, DTRA dismantled the Biomedpreparat Engineering Center anthrax production facility at Stepnogorsk in 2007. It also undertook projects to enhance biosecurity and biosafety (BS&S), threat agent detection and response (TADR), and cooperative biological research.

6. (SBU) The previous integrating contractor for biological threat reduction programs, Bechtel National Inc. (BNI), demobilized in April 2009 and turned interim sustainment of the program over to Raytheon Technical Services Corporation (RTSC). On September 28, DTRA awarded a new contract for analysis of Kazakhstan's existing capabilities to detect and diagnose disease in order to draft an improvement plan for future investments. The new contractor will provide expertise in biosafety regulatory reform to assist Kazakhstan to adapt current legislation to meet international guidelines, and develop a sustainable training plan aligned with Kazakhstan's priorities. Based on progress in this area, DTRA will consider enhancing safety features at up to 10 additional laboratories. DTRA's new contractor will also construct a biosafety-level 3 (BSL-3) lab at the Research Institute for Biological Safety Issues (RIBSI) in Otar, install biosecurity upgrades at the Kazakhstani Scientific Center for Quarantine and Zoonotic Disease (KSCQZD) and RIBSI facilities to enhance security of the EDP repositories, and build a National Central Reference Laboratory.

#### KAZAKHSTANI MINISTRIES FAIL TO COORDINATE ON STATE-OF-THE-ART LAB

7. (C) Modeled on a facility in Winnipeg, Canada, the Central Reference Laboratory (CRL) would preserve a maximum level of security and efficiency by consolidating most of Kazakhstan's especially dangerous pathogens into one BSL-3 lab. Kazakhstan's Ministries of Health, Education and Science, and Agriculture would share it. Current DoD policy guidance makes construction contingent upon the issuance of a letter or decree by the government of Kazakhstan that states the CRL's location, operation, and management. The three ministries have not yet agreed on these issues. In 2005, the lead Kazakhstani implementing partner for the CTR Umbrella Agreement, the Ministry of Energy and Mineral Resources (MEMR), designated "implementing agent" responsibilities for biological threat reduction projects to the Ministry of Health (MOH). (COMMENT: Although the Ministry of Health has been increasingly supportive of U.S. programs, it lacks authority to speak for other ministries. Post recommends encouraging Kazakhstan to transfer implementing responsibilities to the cabinet level. Raising the level of oversight for biological threat reduction programs to this level would increase the efficiency of dispute resolution among competing ministries. END COMMENT.)

#### CUSTOMS AND INTERIOR MINISTRY WELCOME ASSISTANCE

8. (SBU) DTRA, in coordination with the Federal Bureau of Investigation and the Department of Homeland Security, implements the International Counter-Proliferation Program (ICP) in Kazakhstan by providing training to a wide range of Kazakhstani law-enforcement, security, customs, and border control personnel. The Ministry of the Interior and Customs participate consistently and enthusiastically

in ICP courses. Kazakhstani WMD experts thanked the United States for its law-enforcement related non-proliferation assistance, and

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requested more training programs focused on this area (ref B).

9. (C) The Committee for National Security\'s (KNB) Border Guards Service, however, refused to participate in ICP and most other U.S.-sponsored activities. The Border Guards chose not to send participants to the upcoming October WMD Border Security course in Bucharest. Post will report on participation, especially by the KNB, in its upcoming November cyber-crime course in Astana.

REACTOR DECOMMISSIONED, FUEL RETURNED, BORDER STRENGTHENED

10. (C) The DOE\'s National Nuclear Safety Administration (NNSA), with full cooperation from MEMR, decommissioned Kazakhstan\'s BN-350 fast breeder reactor and is working with Kazakhstan to begin transportation of its spent fuel from Aktau to a secure, long-term storage site at the Baikal-1 facility in Semipalatinsk. It orchestrated the return of nearly 75 kilos of highly enriched uranium (HEU) to Russia in May, and is converting an experimental reactor at the Institute of Nuclear Physics (INP) from HEU to low-enriched uranium (LEU). The NNSA, working with Customs and the Border Guards, also installed radiation detectors to enhance security along Kazakhstan\'s land, air, and sea borders (ref B).

11. (C) NNSA\'s Global Threat Reduction Initiative (GTRI) office provided over \$150 million in funding, as well as technical assistance and oversight, for the complete decommissioning of the BN-350 reactor. (NOTE: The weapons material currently stored in the BN-350 reactor includes 30 metric tons of heavy-metal radioactive materials, three metric tons of better-than-weapons-grade plutonium, and 10 metric tons of HEU, which is sufficient to fabricate 775 weapons of mass destruction. END NOTE.) The government of Kazakhstan is primarily responsible for the current and final stage of the strategically-important project -- to move the spent fuel from Aktau to the Baikal-1 storage facility. The U.S. government continues (at Kazakhstan\'s request) to provide funding and technical assistance on many aspects. On September 9, the Deputy Prime Minister announced that Kazakhstan had allocated \$5 million -- the minimum amount necessary to fund the initial fuel runs planned for 2009. On September 18, the Prime Minister signed decrees on reserve funding and equipment transfer, resolving long-standing property transfer issues. Post continues to urge the government of Kazakhstan to provide funding for 2010 and complete the project as quickly as possible.

12. (C) In 2006, DOE and Kazakhstan\'s Ministry of Finance entered into an implementing arrangement to enhance Custom\'s ability to detect illicit trafficking of nuclear and radiological material across borders. Through the Second Line of Defense (SLD) Program, the DOE is installing equipment at 19 border crossings and conducting relevant training programs to detect nuclear and radiological material. The SLD program, which spent \$10 million in 2008, also provided handheld radiation detection equipment and constructed and equipped a state-of-the-art training center (ref B).

13. (C) In 2008, the Export Control and Related Border Security (EXBS) Program in Kazakhstan provided \$2 million worth of equipment and training programs -- including inspection/detection devices and a training program on air cargo interdiction and coast guard safe boat operations -- to Kazakhstan\'s Customs and Border Guards (ref B). In 2009, with a budget of \$1.5 million, EXBS conducted training activities on land border interdiction and funded a legal seminar on export control and counter-

proliferation for prosecutors. EXBS provided equipment, including three portable shelters for the border guards, four Rapidscan x-ray machines for customs, and computer equipment for the border-guard training center. Rail interdiction training is scheduled for November 2009 and delivery of four more shelters for border guards and five x-ray machines for customs should be completed by the end of the year.

14. (SBU) In 2008-2009, key EXBS events included a demonstration for 40 Parliamentarians of modernizations completed with U.S.-assistance, and the hand-over to the Head of the Border Guard service of modular shelters, designed to strengthen Kazakhstan's long and lightly

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protected green-border. (NOTE: EXBS purchased the shelters from a Kazakhstani company in Almaty, stimulating Kazakhstan's economic development and diversification. The media covered the event very favorably. END NOTE.) The Customs Chairman, a very experienced official with close ties to President Nazarbayev, is genuinely intent on the improvement of Kazakhstan's Customs Committee and expressed interest in a visit to the United States in order to analyze possible reforms. Due to recent improvements by Kazakhstan's Customs, most of which were made with U.S. assistance, the World Customs Organization decided to establish a regional office in Almaty.

15. (SBU) In 2010, with a budget of \$1.4 million, EXBS plans to conduct a legislative review of the Kazakh Export Control Laws, establish a training program on end-use/end-user responsibilities, undertake x-ray image analysis training, and support a regional radiation training center. EXBS will also procure three additional shelters for the Border Guards and electronic equipment upgrade for Kazakhstan's first training center for Customs' personnel.

#### STATE DEPARTMENT WORKSHOPS ON PREVENTING NUCLEAR TERRORISM

16. (SBU) In 2006, the Department of State's Nuclear Smuggling Outreach Initiative negotiated a bilateral communique to strengthen non-proliferation cooperation. The joint action plan includes priority steps to improve Kazakhstan's capabilities. With input and cooperation from Kazakhstan, NSOI secured funding commitments from U.S. government agencies and other international partners, such as France and Norway, to provide necessary training and equipment. During a June 2009 review of the communique, Kazakhstan's government reported significant enhancements to its capability to prevent nuclear smuggling (ref C). Post continues to conduct follow-on activities, such as facilitating Kazakhstan's continued search for orphaned nuclear sources, encouraging the Ministry of Health and the Kazakhstani Atomic Energy Committee to share resources, holding a legislative drafting workshop, and helping Customs purchase modular shelters to secure the green border.

17. (SBU) The Prevention of Nuclear Smuggling Program (PNSP), a component of the NSOI program, also held a workshop with Kazakhstani government officials in Astana in February 2009 to exchange best-practices to prevent nuclear smuggling (ref D). Kazakhstani participants thanked the United States for bringing together "an unusually broad spectrum of U.S. and Kazakhstani specialists including nuclear experts, prosecutors, police, and health inspectors." Post is working with government of Kazakhstan officials to facilitate the development of national nuclear forensics libraries, law-enforcement training programs, national response planning, and regional workshops.

#### STATE FUNDS SAFE STORAGE OF RADIOACTIVE WASTE

18. (SBU) Through the Nuclear Disarmament Fund, the DOS spent \$13 million on WMD proliferation threat reduction projects, including the destruction of fermenters for biological weapons, and completion of five projects related to the irreversible shutdown of the BN-350 reactor. The United States spent \$3.35 million to design and construct a sodium processing facility to assist Kazakhstan in the safe disposal of radioactive waste. At a ceremony marking completion of the facility in November 2008, Embassy representatives urged the government of Kazakhstan to finish the geo-cement stone facility (refs E-F). Designed with U.S. and UK technical assistance, it is the last step necessary to safely dispose of all BN-350 materials.

#### BIOWEAPONS SCIENTISTS

19. (SBU) Since 1994, when Kazakhstan joined the International Science and Technology Center (ISTC), the United States has provided funding through this center to support scientists who previously worked in bio-weapons programs. State Department's Bio-Chem Redirect Program and Bio-Industry Initiative programs provided initial funding and opportunities to partner with U.S. institutions and scientists. Under these programs, Kazakhstan shipped samples of bubonic and pneumonic plague to the U.S. Centers for Disease Control and

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Prevention (CDC). U.S. and Kazakhstani scientists use these samples to research preventive measures and possible cures for naturally occurring deadly diseases, which are also potential bioterrorism agents. Another successful program established an environmental monitoring laboratory at a former anthrax production facility in Stepnogorsk. Currently, DOS is funding 13 ISTC projects in Kazakhstan.

20. (SBU) On August 24-26, the National Institutes of Health organized a conference in Astana on sustainable development in biotechnology to help local scientists develop long-term business plans. Four projects in Stepnogorsk, an underdeveloped city that once hosted a secret bio-weapons facility, have also created a close ties between U.S. and Kazakhstani scientists. The projects are expected to contribute to the creation of a new agricultural feed product and an anti-cancer drug (ref G).

#### PROMOTING BIO-SAFETY

21. (SBU) In cooperation with Canada and the United Kingdom, U.S. specialists assisted Kazakhstan and its Central Asian neighbors establish the Biosafety Association for Central Asia and the Caucasus (BACAC). Experts attended a September 16-17 conference on the safe handling of biological materials in Astana. The U.S. Centers for Disease Control, USAID, and the DoD also offered numerous training opportunities for health specialists and scientists working with dangerous pathogens, including a June workshop on monitoring during a radiation emergency.

22. (SBU) COMMENT: Kazakhstani government officials, both at senior and working levels, remain strongly committed to counterproliferation. As Post looks forward to the completion of several long-term projects of critical significance in relation to efforts to secure nuclear and biological weapons material, Post hopes to build on our bilateral successes to overcome any potential administrative and logistical obstacles. PolOff's conversation during a September 30 reception the Ambassador hosted to celebrate some of the major milestones in our bilateral non-proliferation cooperation highlighted both the successes -- and the challenges we still face. Timur Zhantikin, Director of Kazakhstan's Atomic

Energy Committee -- Kazakhstan\'s chief authority for issues related to the security and regulation of nuclear facilities -- told PolOff that his agency, on behalf of MEMR, signed an agreement with the U.S. Nuclear Regulatory Commission. He admitted that his agency currently has only 24 employees to supervise Kazakhstan\'s domestic inspections and interaction with international partners and regulatory bodies, such as the International Atomic Energy Agency (IAEA). Despite limited personnel and financial resources, Kazakhstan has the capability and the political will to play a leading role in WMD counter-proliferation in Central Asia. END COMMENT.

HOAGLAND