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## Impacts of Visa Policy on Inbound Tourism in Kazakhstan

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### Abstract

Every destination in the world tries to create affordable conditions for tourists to get the maximum benefit from international tourism and one of these conditions is accessibility, which refers to the visa policy of a country. An effective and appropriate visa policy makes travel destinations more attractive and easily accessible to visit. This research focuses on the visa policy of Central Asian country – the Republic of Kazakhstan and reveals several problems related to it, such as lack of information on the visa application process, especially on e-visa, raw systemized visa and migration portal, a long list of visa-needed countries, plenty of refusals in invitation letters by Migration Police and existence of huge visa restrictions for some countries. The current visa policy makes the Republic of Kazakhstan less open to foreigners and less competitive among other countries.

Based on a literature review on visa policy and its effects on the economy and tourism sector in a destination and by using comparative analysis of visa policies of two Central Asian countries – Kazakhstan and Uzbekistan, several problems that affect inbound tourism, as well as recommendations for improvement of visa policy for Kazakh government are discussed in this research.

**Key words:** visa policy, visa restrictions, visa facilitation, visa liberalization, destination competitiveness, destination perception, inbound tourism, Kazakhstan.

## Introduction

Tourism is one of the largest economic sectors in the world and to fully take benefits that it provides to a country, it is necessary to create conditions that make the country competitive, and the most important of these conditions should be the possibility of visiting it without any difficulty (World Tourism Organization, 2013). There is no doubt, that an effective and appropriate visa policy makes travel destinations more attractive and easily accessible to visit.

The Republic of Kazakhstan (Kazakhstan or RK), the world's ninth-largest country, got its independence in 1991 and since then several changes occurred in visa policies. The country provides for foreigners different types of visas and visa regimes, such as visa-free, single and multiple entries, visa on arrival and the latest one – electronic visa (e-visa), which was introduced on January 1, 2019. Single and multiple-entry tourist visas are issued based on invitation letters by the tourist organization of Kazakhstan.

### ***Problem identification***

The latest UNWTO's global visa openness report (2018) revealed Kazakhstan as one of the least open countries in the world, illustrating the existence of huge visa restrictions in the country. Citizens of approximately 135 countries need to get a visa to travel to Kazakhstan (Ministry of Foreign Affairs, 2020a). The newly introduced e-visa and the official visa and migration portal do not operate fully and are still barebone. Visa applications and invitation letters are still paper-based. As statistics show, refusals in invitation letters reach 30-40%, including for the so-called favorable tourists, although the migration police do not give a reason for the refusal (Albekova, 2018).

A long list of visa-needed countries and all the above-mentioned issues make Kazakhstan a less competitive tourist destination among other countries. Our research reveals problems in lack of adequate visa policies in the former Soviet

Socialist Republic – Kazakhstan, its unwillingness to open its border to other nationals and mismatch standards of IATA.

### ***Research Purpose and Questions***

The purpose of this work is to explore the effects of visa policy on the development of inbound tourism and destination competitiveness in Kazakhstan.

The goals of this work are to identify the impacts of visa policy on tourism in Kazakhstan and on the competitiveness of the destination, analyze current issues and suggest recommendations for the government.

The following questions are needed to be answered to reach the goals:

- 1) How does visa policy affect inbound tourism in Kazakhstan?
  - a. What kind of issues are faced by the Kazakh visa policy?
  - b. How does visa policy affect the competitiveness of Kazakhstan as a tourist destination?
  - c. What are the measures that the Kazakh government can implement to improve its visa policy?

### ***Background***

#### ***Overview***

Kazakhstan is the ninth-largest in the world and the largest Central Asian country. A member of the United Nations and other international unions and cooperation, it is officially a democratic, secular, unitary, constitutional republic with a diverse cultural heritage (Parliament of the Republic of Kazakhstan, 1995). The most developed Central Asian country's economy mostly relies on the oil and gas industry, being the largest oil producer in Central Asia, with the 12th-highest proven crude oil reserves in the world (IEA, 2020). According to the World Bank (n.

d.), Kazakhstan's status has grown from lower-middle-income to upper-middle-income in less than two decades.

Home for more than 130 nationalities (Embassy of the Republic of Kazakhstan, n. d.), Kazakhstan attracts foreign tourists with its fascinating nature, sceneries, and landscapes, as well as its diverse and unique cultures and traditions. According to the WTTC (2020), the contribution of travel and tourism to the GDP for Kazakhstan was 5.2% and the industry accounted for 4.9% of total employment in 2019. For the nine months of 2019, about 6.4 million foreign tourists visited Kazakhstan, which is less than the previous year for 5.4% according to the SC of the MNE of the RK and FinReview.info (2020). The government plans to increase the contribution of the travel and tourism industry to the national economy up to 8% by 2025 (SC of the MNE of the RK & FinReview.info, 2020).

### ***Historical background and current state of visa policy in Kazakhstan***

Kazakhstan got its independence in 1991 and since then several changes occurred in visa policies. By 2004 residents of about 28 countries had an opportunity to travel to Kazakhstan without an invitation letter (UNWTO, 2005). In order to attract foreign investors, in 2015, Kazakhstan also canceled the visa regime for citizens of 19 countries.

On the eve of EXPO 2017 in Astana, as well as the Winter Universiade in Almaty, in order to create the most favorable conditions for foreign guests and attract investors, the Ministry of Foreign Affairs continued to work to further facilitate the visa regime and improve the efficiency of migration control and security. The procedure was simplified for issuing single business, private, as well as single and double-entry tourist visas for citizens of 48 economically developed countries (Kazinform, 2016). From January 1, 2017, citizens of 45 states are exempted from the need to obtain visas and registration when visiting Kazakhstan for up to 30 days, while citizens of Russia, Belarus and Kyrgyzstan are exempted from registration within 30 days from the date of crossing the border (Kazinform, 2016).

From mid-January and early April, until the end of 2018, 72-hour visa-free transit was introduced for citizens of the People's Republic of China and India, traveling via Almaty and Astana to Moscow, Tbilisi, Bishkek, London and Paris.

Currently, Kazakhstan provides for foreigners different types of visas and visa rules, such as visa-free, single entry, multiple entries, visa on arrival, visa with an invitation letter and the latest one – e-visa. Residents of 73 countries can travel to Kazakhstan without a visa, including 19 countries, with which Kazakhstan has agreements on visa-free entry on civilian passports (Ministry of Foreign Affairs, 2020a).

Single, double and multiple-entry tourist visas are issued based on invitation letters by the tourist organization of the Republic of Kazakhstan, which has a license to carry out tour operator, travel agent activities, tourism instructor services, and visa support from the Ministry of Foreign Affairs of the Republic of Kazakhstan. However, citizens of 48 countries may receive a tourist visa based on a personal appeal to the consular offices of the Republic of Kazakhstan abroad without an invitation letter.

Citizens of countries, where there is no embassy or consulate of the Republic of Kazakhstan, can apply for visas on arrival at the international airports of Kazakhstan based on invitation letters from local tourist organizations.

From January 1, 2019, a procedure for obtaining a single-entry visa for foreigners in electronic format is being introduced in Kazakhstan. E-visa (business, tourist and medical treatment) is issued based on a valid invitation letter from a Kazakh tour operator and foreigners can travel to Kazakhstan using a valid electronic visa only at checkpoints of the international airports of Astana and Almaty. List of countries, residents of which can apply for tourist e-visa, reaches 105, business and medical treatment – 18, according to the Ministry of Internal Affairs (2020b).

### **Literature review**

The literature review covers several academic articles about visa policy and provides reasons for strict visa policies and their impacts on tourism around the world.

Visas are commonly utilized by governments to limit entry into their borders and raise income through charging a visa application fee (Duerrmeier, 2014). They perform three primary functions, such as border security, minimizing illegal migration and reciprocity (Duerrmeier, 2014, Neumayer 2010). However, Neumayer (2011) revealed that all terrorists of September 11, 2001, entered the US on valid visas.

Visa facilitation plays a central role in stimulating growth and job creation (World Tourism Organization, 2013). On the other hand, the opposite concept – visa restrictions negatively affect economy and tourism as it decreases bilateral trade and foreign investment, tourist inflows and receipts and increases tourists' intentions to travel to the visa-free destination (Czaika & Neumayer, 2017, Neumayer, 2010, McKay & Tekleselassie, 2018, Li & Song, 2013, Song et al, 2012).

In addition to visa facilitation, countries do also practice a “visa liberalization” policy in order to reduce barriers to trade and remain attractive. Visa liberalization is a policy of seeking to create new kinds of visas or to relax the conditions attached to existing visas to make it easier for defined categories of foreign nationals to obtain valid visas (Bromund, 2020). The most known visa liberalization policy is valid among Schengen Area Member States, where it was discovered an immediate increase in short-term travel to the countries of destination after the introduction of a new policy (European Migration Network, 2019).

Tourism demand is also strongly affected by visa regimes (Cheng, 2012) and the elimination of travel restrictions increases the demand for and freedom to travel (Siskin, 2004). Major tourist destinations do not impose visa restrictions on sending countries to remain attractive (Neumayer, 2005).

Studies identified determinants of tourist destination choices that discourage travel, which include connectivity, price, safety and visa requirements (San-Andres & Wirjo, 2015, McKay & Tekleselassie, 2018). Research reveals, that visa processing times and fees left participants with a negative perception of the destination (Duerrmeier, 2014). However, visa restrictions play a small part in discouraging visitors to visit Zimbabwe (Zengeni & Zengeni, 2012).

Artal-Tur et al. (2016) found that visa restrictions hold tourists traveling to developing countries, particularly to Eastern Europe, Central Asia, Africa and the Middle East. Countries with closed borders are associated with socialist philosophies, where they view outsiders with great suspicion (Anderson, 2000). Based on the literature review and Kazakhstan's location in Central Asia as a former Soviet Union country the analysis of the impact of the visa policy on the inbound tourism in Kazakhstan will be made in the following section.

### **Methodology**

The research for this paper will be qualitative and include an in-depth analysis of secondary sources on visa policy impact on inbound tourism, meaning that ontological philosophy helps to understand the nature of visa policy and find ways to solve visa policy problems based on an interpretivism approach. Moreover, to identify visa policy issues and suggest recommendations, comparative analysis will be provided based on visa policies of two Central Asian countries – Kazakhstan and Uzbekistan. Findings from academic and industry sources will be synthesized to suggest recommendations for managing visa policy to develop inbound tourism in Kazakhstan.

### **Findings and Discussion**

Based on the literature review the following three key areas of visa policy were identified:

- Visa restrictions,
- Visa facilitation,
- Visa liberalization.

Although there were several cases, where visa restrictions did not play an important role in attracting foreigners to a destination, in the case of Kazakhstan, the analysis has shown that it negatively affects the inbound tourism development in the country. On the other hand, visa facilitation policies make travel and pre-travel

preparation easier, and it was agreed that it positively affects inbound tourism in Kazakhstan. Moreover, although the UNWTO has suggested creating the unified visa for Central Asian countries before, it has not been introduced and even planned to create yet. Therefore, considering the positive impacts of visa liberalization on countries of destination, Kazakhstan is suggested to create one collaborating with Central Asian countries.

All these three key areas directly affect the visa application process. And, based on the literature review and the analysis of the historical background and current state of the visa policy in Kazakhstan, the following framework was constructed from this research by the author (Figure 1).

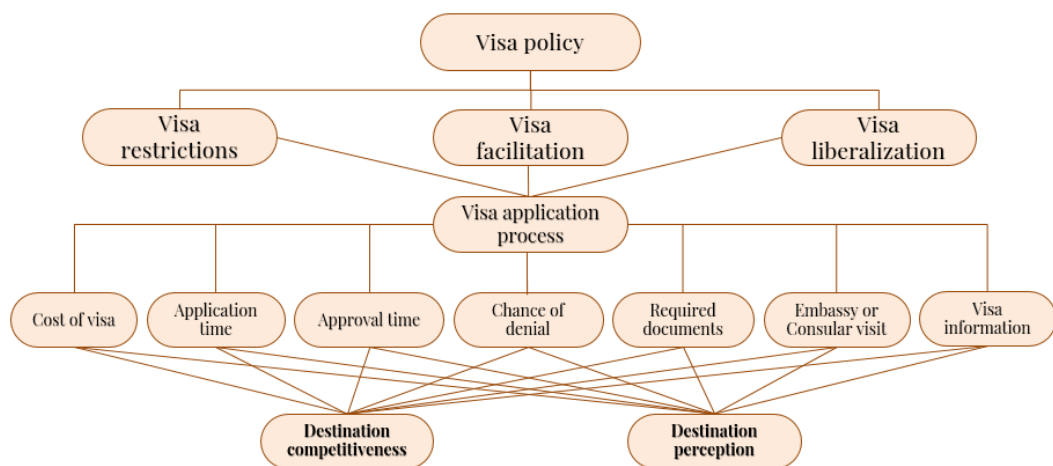


Figure 1. Impacts of visa policy on inbound tourism.

The framework consists of two dependent variables, such as destination competitiveness and perception, and several independent variables, which are parts of the visa application process. These independent variables relate to visa policy among visa facilitation, restrictions and liberalization.

While studying the Kazakh visa application process, it was identified several key problems, which are presented as parts of the process in the framework. These problems were studied by making a comparison with the neighboring country – Uzbekistan. Issues of Kazakh visa policy are:



1. High cost of a visa. Kazakh tourist visa fee is 60 USD, while in Uzbekistan, the tourist visa fee starts from 20 USD. While choosing a Central Asian destination, there is a possibility that some tourists might prefer Uzbekistan because of the lower cost of visa fee.
2. Long application and approval time. Standard Kazakh e-visa processing time is five working days, while there is an option to obtain Uzbek e-visa in two days. And the application does not always mean approval.
3. High chance of denial. As mentioned at the beginning of the research, there is a high indicator of refusal of invitation letters and consequently, it shortens the list of approved Kazakh visas. Although it might be done for security reasons, the fear of the invitation letter getting denied can also be a reason not to choose Kazakhstan as the next travel destination.
4. Required documents. In order to obtain Kazakh e-visa, it is required the same documents as for Uzbek e-visa and, in addition, – the invitation letter. This is inadequate and hard for tourists who travel solo or on their own without contacting the travel agent. And travel operators usually sell travel packages with the invitation letter, but not separately, therefore, the whole travel package might be expensive for solo travelers.
5. Limited entries/exits to/from Kazakhstan with e-visa. Foreigners can enter or exit the territory of Kazakhstan with e-visas only through airports of Nur-Sultan and Almaty, while it can be used in all airlines and all airports of Uzbekistan.
6. Lack of valid information. While doing this research it was revealed that the official websites of neither the Ministry of Foreign Affairs nor the Visa-migration portal of Kazakhstan do not properly provide necessary information about the visa to Kazakhstan. Official statistics are still missing and that makes the research more difficult.

Based on the analysis, the following recommendations are provided:

- Reduce the cost of tourist visa;
- Shorten the visa application and approval time;
- Increase the list of countries, whose citizens can obtain tourist visa without invitation letter;

- Increase the list of visa-free countries;
- Increase the number of airports of Kazakhstan where e-visa can be used;
- Introduce the unified visa for Central Asian countries;
- Create the NGO or Tourism Satellite Account (TSA) for obtaining valid information about travel and tourism in Kazakhstan.

The last recommendation is necessary not only for visa policy but for the whole tourism industry development in Kazakhstan generally.

### Conclusion

This study answers all research questions about the impacts of visa policy on inbound tourism in Kazakhstan and identifies issues regarding visa application time, information and e-visa, that make Kazakhstan less attractive and competitive among other countries. The study concludes that the visa facilitation and liberalization policies positively affect the inbound tourism in Kazakhstan, while visa restrictions negatively affect Kazakhstan's destination competitiveness and perception. Based on current issues that are faced by the Kazakh government, new solutions and recommendations regarding visa policy are suggested for further implementation.

This study has limitations in understanding the potential effectiveness of recommendations, lack of knowledge on the appropriateness of recommendations due to inconsistent data on current tourism development and visa policy in Kazakhstan, as well as a comprehensive analytical methodology accompanied by primary research. This is an overview of existing research that may be applicable to assist Kazakhstan in managing visa policy and therefore relies heavily on academic sources rather than primary research to reach conclusions.

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