

President tours memorial in Almaty region



Kazakh President Nursultan Nazarbayev meets with Chemolgan village residents during his visit to the Almaty region.

Staff Report

ASTANA – President Nursultan Nazarbayev visited recently the Batyr Babalar memorial complex in the Raiymbek rural district of the Karasai district during a working visit to Almaty and the Almaty region, according to the presidential administration press service.

Nazarbayev was acquainted with the expositions of the memorial complex, which demonstrate the history of Kazakhstan, beginning with the Saka culture and ending with the formation of the Alash Orda government. The central part of the memorial is

dedicated to the Kazakh batyrs (warriors).

In addition, the head of state was shown a portrait gallery of famous historical figures of khans, biys (judges), batyrs, who distinguished themselves in the struggle for the independence of the nation.

The President also met with prominent representatives of the Karasai district community and discussed the socio-economic situation in the region and prospects for development.

Nazarbaev also got acquainted with the progress of the construction of a museum in the Karasai district. The head of

state pointed to the need to reflect in the museum's expositions the key milestones of the country's independence, including the construction of its new capital.

Next to the museum, a bas-relief picture will be erected, revealing the historical stages of the development of independent Kazakhstan. In the centre of the ensemble it is planned to install a flagpole with the national flag.

In addition, during a working trip to Almaty and the Almaty region, Nursultan Nazarbayev visited his birthplace at Chemolgan village and had an informal conversation with villagers.

The museum is being built with private funds and construction is scheduled to be completed in December.

Nazarbayev was also briefed on the progress of construction of a sports and health complex in the Karasai district, which is also being built with private funds.

The facility will include boxing equipment, wrestling halls, a swimming pool, tennis court, gym and universal gyms, a football field with a stadium for 1,000 seats, as well as medical offices and cafes will be located in the sports and recreation complex.

Kazakhstan, Latvia launch container service along China-to-Europe transcontinental route

By Aigerim Seisembayeva

ASTANA – Latvian President Raimonds Vejonis and Kazakhstan's First Deputy Prime Minister Askar Mamin launched Sept. 29 via teleconference in Riga a new container service in the China-to-Europe transcontinental route, the Kazakh Prime Minister's press service reported.

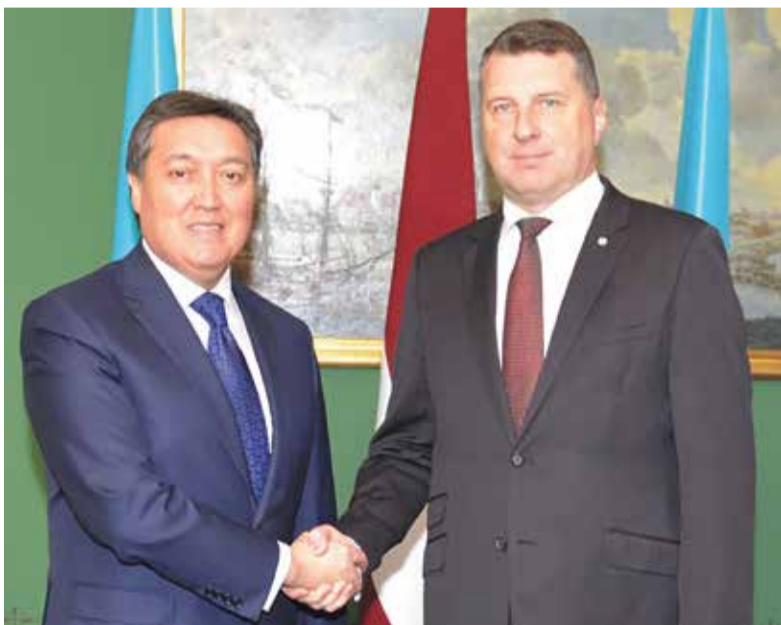
The container train's route starts in Urumqi, China, runs through Kazakhstan, Russia and Latvia and then navigates through the port of Riga to the port of Rotterdam.

"Kazakhstan is one of Latvia's key partners for the successful integration into the Eurasian transport routes and the creation of an efficient transport corridor on the Eurasian scale," said Vejonis at the meeting.

The Kazakh government has said it hopes the new routes, the diversification of the existing ones, the optimal use of the railway infrastructure and the implementation of a flexible tariff policy will allow China-to-Europe container traffic to reach 200,000 containers through the Baltic region.

Mamin and Vejonis also discussed economic cooperation and Mamin noted his visit continues the progress made during the Latvian President's July 9-10 visit to Kazakhstan. He also said Kazakhstan would like to increase cooperation in information, space and green technologies.

According to the Latvian President's press service, Vejonis noted



Kazakh First Deputy Prime Minister Askar Mamin (L) and Latvian President Raimonds Vejonis.

Latvia seeks to develop a direct air transport with Kazakhstan. He also said there is potential to increase cooperation in education, information and communication technologies, as well as in environment and clean technologies.

"I am convinced that Latvia's participation in the Astana EXPO 2017 international exhibition has given our countries the opportunity to develop bilateral political and economic cooperation," said Vejonis.

At a meeting with the president of the Latvijas dzelzceļš (LDz) railway company Edvins Berzins, Mamin said Kazakhstan had chosen Latvia as the main freight logistics

and distribution centre in the Baltic region and called for cooperation to develop the port of Khoros at the Kazakhstan-China border, LDz's press service reports.

Mamin said containerised cargo traffic along the Kazakh railway system could reach 200,000 containers by 2020.

"This is a significant number. We have chosen Latvia as the place to build a logistics and distribution centre in the Baltic region, therefore we rely on close cooperation," Mamin emphasised.

Berzins and Kazakhstan Temir Zholy (KTZ) national railway company's Vice President Sanzhar

Yelubayev signed a memorandum on cooperation to develop transit routes, the harbour logistics centre of the future Khoros harbour and new transit flows through the centre. According to the memorandum, both parties will provide container transport from China through Kazakhstan to Riga and cooperate on handling goods transported to the port of Khoros.

LDz's subsidiary LDz Logistika signed a transport expedition agreement with Kazakhstan's railway subsidiary KTZ Express.

"Kazakhstan is a very important partner in providing transit flows between China and Europe, and the creation of a new strategic partnership is crucial for attracting new freight. Kazakhstan, like Latvia, is currently playing a major role in securing China's freight, and the port of Khoros at the Chinese border is a far-reaching solution. Just as far-sighted, we need to get involved in both this and the upcoming strategically important projects that will ensure a growing flow of freight in the future," Berzins said.

Negotiations on cooperation in the port of Khoros were launched this summer, when EXPO 2017 hosted LDz's Transit and Logistics Week events with the participation of Prime Minister's office and KTZ's senior management.

The port of Khoros is considered an important logistics development project for Kazakhstan and authorities hope it will attract new freight flows.

AIFC governor talks blockchain development, mid-shore concept and head hunting

By Zhazira Dyussebekova

ASTANA – December will be a fascinating month for Kazakhstan's financial sector, as the long discussed and awaited Astana International Financial Centre (AIFC) will be officially presented. AIFC Governor Kairat Kelimbetov talked about some of the nuances of the project during a Sept. 20 press conference.

The centre will be located within a portion of the EXPO 2017 pavilions, as the grounds are suitable for developing the trending blockchain and cryptocurrency technologies, he said.

"We assume that the territory of the expo will become a kind of crypto valley or crypto harbour. The whole world is very interested in this. Some central banks are supporting this direction, others are looking [at them] closely. The United States and Singapore want to equate the activities of crypto-economic with ordinary activities in the financial sphere. In Switzerland, this direction is strongly encouraged and Japan supports some cryptocurrencies as a means of payment. We want to say that in this direction AIFC will be on the 'edge' concerning understanding the processes that are taking place. But on the other hand, we are responsible for issues of financial stability and regulation of certain financial institutions," he added.

Earlier this month, AIFC signed a memorandum of cooperation with Microsoft to create the Blockchain Innovation Centre, which will create an effective platform to initiate and develop start-up projects.

Kelimbetov also spoke about the Astana International Exchange (AIX). High-tech infrastructure for the exchange, which promises to adhere to the best world standards, will be installed in the centre. AIX is expected to become the main platform to privatise the companies of Samruk Kazyna Sovereign Wealth Fund.

Continued on Page A4

Alphabet change is important part of a larger modernisation process, says expert

By Aigerim Bulambayeva

ASTANA – The draft of the Latin-based Kazakh alphabet presented in September resulted in heated discussions and a number of questions among Kazakh people. Uli Schamiloglu, a professor and chair of the Department of Kazakh Language at Nazarbayev University, addressed some of those ques-

tions and discussed the process of switching the alphabet as part of modernising Kazakh identity.

One might argue the alphabet is just a tool that conveys language, whereas the language itself is an essential part of the nation's concept. Schamiloglu, however, does not agree an alphabet is merely technical. Keeping an alphabet in use is a statement, as is the decision to change it.

Continued on Page B5

More than 1,700 rural settlements to access broadband internet through Digital Kazakhstan

By Assel Satubaldina

ASTANA – More than 1,700 rural settlements, home to approximately two million people, will gain access to broadband internet as part of the Digital Kazakhstan programme, said Minister of Information and Communication Dauren Abayev during a Sept. 26 government meeting.

The government reviewed the progress of the programme that seeks to build an affordable digital infrastructure nationwide, including the most remote areas, and fos-

ter digitalising the economy, government and public services.

Abayev noted providing high speed broadband internet nationwide is essential for building a strong economy.

"The Digital Silk Way direction in the Digital Kazakhstan programme focuses on building an advanced digital infrastructure," he said, adding it does not only entail affordable access to high speed internet, but also decreases the digital gap between urban and rural areas and introduces e-government services, interactive education and healthcare.

Continued on Page A2

INSIDE

NATION

Minister of information and communications addresses draft mass media law **A2**

Parliament to change approach to labour migration and repatriation **A2**

ECONOMY&BUSINESS

Insurance coverage options to be simplified, travel insurance to become compulsory, says official **A4**

ADB and WB to establish infrastructure fund in Kazakhstan **A5**

EDITORIALS

Government needs to implement strategy of attracting more foreign investment **A6**

Prospects of green economy in Kazakhstan **A6**

OPINIONS

SHPEKBAYEV: Fight against corruption aims to build a graft-free state, top official says **A7**

BESPALINOV: Government takes comprehensive approach to fighting corruption **A7**

NATION&CAPITAL

Astana economy grows, EXPO 2017 investments expected to drive new trade **B1**

Young entrepreneur combines guided hiking tours with culinary experience **B6**

NATION

WEDNESDAY, OCTOBER 4, 2017

Minister of information and communications addresses draft mass media law

By Aigerim Bulambayeva

ASTANA – Kazakh Minister of Information and Communications Dauren Abayev posted a video on his Facebook page Sept. 20 outlining the fundamental changes among the information and communications bill’s 200 proposed amendments.

“In this video, I explained some norms of the bill in the field of information and communications brought for Parliament’s consideration this summer,” he said.

“It is not a secret that the media literally hunts for news about famous people, singers, actors, athletes, etc. Often, this type of news is based on rumours and conjectures. It can concern their families, personal relations and even health. This information, which is not always true, might negatively affect an individual’s reputation. Even in the case of disinformation, achieving a refutation is an extremely difficult task. The last



Kazakh Minister of Information and Communications Dauren Abayev.

resort is going to court. However, it implies a month of nervous anticipation. Moreover, not everyone is ready to defend their rights in court; this is especially true for ordinary citizens, who can become victims of rumours as well,” he added.

As an example, Abayev cited the news about the 14-year-old couple from Mangystau region who allegedly married recently. The bride and groom were actually adults. He noted the media not only published unverified news, but also posted a photo of the

couple, which resulted in a wave of criticism and insults addressed towards them.

“The media significantly complicated the life of a young couple by following the rumours. From now on, the media is obliged to provide evidence for the written material upon a citizen’s request. In the case of the absence of any evidence, they must publish a refutation. This amendment indirectly imposes the requirement to double-check the material published in the media,” he noted.

Furthermore, the media will be restricted in using pictures and personal data of a child affected by an illegal act. In the case of a sexual offense committed against an underage individual, Abayev noted he or she will need a long physical and psychological recovery.

“If the media exposes an underage person’s name, family name and age, then even in the case of reallocation to another city, the child will be the subject of enormous attention and there will not

be any psychological recovery whatsoever. That is why this restriction is to be introduced,” he said.

Regarding child protection, the amendment will restrict access to pornographic and other sites that negatively affect students’ psyche.

The law establishes a 50-percent minimum share of broadcasting in Kazakh, which will now also extend to advertising. To develop domestic television, an amendment was included about exclusively broadcasting Kazakhstan’s TV and radio channels for public display in state institutions. Abayev did not exclude the possibility this rule will eventually also apply to airports and railway stations.

To ease information access for those with disabilities, primetime newscasts on all channels will now have to be aired using sign language translation and subtitles at least once a day.

The status of state bodies’ structural subdivisions that work with mass media (meaning press ser-

vices and press secretaries) is also being raised. The state agency must provide contact information for its representatives on its website. Representatives must report directly to the primary supervisor and the posts are not subject to liquidation, except for the case of the state body’s liquidation itself. Abayev noted all these amendments are expected to positively affect state bodies’ interaction with the media.

When the media publishes inaccurate information and others reprint it referencing the source, the responsibility lies with the primary source, the minister said. He noted the media does not require permission to publish citizens’ photos if they are taken during mass cultural and sports events, meetings, rallies, processions, demonstrations and other large gatherings.

“I will soon post a new video where the ministry’s most disputed norms that caused resonance in the Kazakh media community will be explained,” said Abayev.

NATIONAL NEWS IN BRIEF

An asphalt concrete plant with the capacity of producing of 100 tonnes of asphalt and 50 tonnes of concrete per hour will be constructed in the Zhylyoi district of the Atyrau region, reported Kazinform. “The project is being implemented by the Omirzak service enterprise as part of the Business Road Map 2020 initiative. The construction will be possible due to a concessional loan of 465 million tenge (US\$1.4 million) from one of the second-tier banks,” said Zhylyoi District entrepreneurship and tourism department head Kanat Mynbayev. The asphalt production equipment has been installed and mounting the concrete production equipment is underway. The plant is expected to generate approximately 50 jobs.

Construction of an oil extraction plant is scheduled for 2018 in Kostanai, according to the regional press service. “We currently have two oil refineries in Almaty and Karaganda. Unfortunately, our plants use imported raw materials mainly from Russia, as we cannot find a large amount of oil in the country. Due to this, we plan to start construction of an oil extraction plant. The project has already passed a credit commission; that is, we are at the stage of construction,” said Eurasian Foods board deputy head Svetlana Boiko. The cost of the project is US\$100 million.

The Myrzakent cotton ginning plant in the South Kazakhstan region is capable of reaching record levels in cotton fibre processing, reported Kazinform. The new equipment will increase the fibre yield by more than 30 percent and decrease electricity consumption by 25-30 percent. “The investment project was approved in 2013 at the regional coordination council and was included in the industrialisation map. We launched the project in 2014. The total cost of the plant is 1 billion tenge (US\$3 million) and 120 people work at the plant,” said chief engineer Assylbek Zhamalov. Approximately 40 tonnes of cotton fibre are produced a day and the plant plans to process 60,000 tonnes of cotton fibre this year. The finished products are sent to a textile factory in Shymkent, with excess fibres exported to the Czech Republic and India.

Kazakhstan plans to reduce the tax on tin metal extraction, according to Forbes.kz. “There is a proposal to reduce the tax rate on the extraction of tin metals from 6 to 3 percent to support a new branch of metallurgy,” said First Vice Minister of National Economy Ruslan Dalenov. Plans are also underway to abolish the excess profit tax for the mining sector while increasing the rental tax on coal exports. The new draft of the tax code cancels the commercial discovery bonus to stimulate successful exploration. A mechanism for rent payments will be introduced to accelerate solid minerals exploration.

Technology is being implemented in the Mangystau region to provide for an energy savings of up to 40 percent, said regional Akim (Governor) Yeraly Tugzhanov at a Sept. 21 Central Communications Service briefing. “A new energy saving technology has been introduced in five nurseries and two schools. The task has been set to fully implement this project in Aktau and the Nurinsky district, where 140,000 people live. We believe it’s better to introduce energy-saving technologies rather than building additional power plants,” he said.

The Amangeldy gas field in the Zhambyl region will also be used as a large gas storage facility, according to Kapital.kz. “The Amangeldy gas deposit will be used not only as a resource base, but as part of the gas industry development in 2018-2024. Currently, we are developing a project with our scientists and investors for using Amangeldygas as a large gas storage facility. We aim to increase the gas transportation to China and there is a need for a large gas storage facility in the south,” said KazTransGas Deputy General Director of Transformation and Development Erkanat Temirkhanov.

Parliament to change approach to labour migration and repatriation

By Yerbolat Uatkhanov

ASTANA – The Ministry of Labour and Social Protection revised



Minister of Labour and Social Protection Tamara Duisenova.

its approaches to migration and the issuance of permits for foreign labour. The new policy lightens repatriation of ethnic Kazakhs and makes getting work permits easier for highly skilled foreign specialists.

“It is proposed to use three types of work permits for foreign immigrants,” said Minister of Labour and Social Protection Tamara Duisenova as she presented the draft of the new migration policy for 2017-2021 at a government meeting on Sept. 19.

“The first type of permit is used for low-skilled workers and gives them an opportunity to work up to one year, to limit their inflow. It applies to seasonal foreign workers and labour immigrants working for individuals, with an age restriction [not younger than 18 years] and with the preservation of the payment of the fee,” she explained.

The second type of permit is given to qualified foreign workers for up to three years. This permit is intended for highly skilled foreign personnel participating in the implementation of projects that are of high priority for the country. Duisenova noted that it will be easier to prolong the second type of the permit annually than to reapply every year.

The third type of permit will be issued to qualified foreign specialists for professional activities for the implementation of long-term projects.

“This is a system of references, which was introduced this year. It is proposed to extend the validity period of special certificates from three months to three years,” she said.

These measures will be accompanied by the implementation of a nationwide professional development programme to replace foreign specialists with national personnel

in the future. The minister gave an example: since the beginning of the year, the Astana city administration has issued more than 19,000 paid permits worth 6.5 billion tenge (US\$19.2 million). That money can eventually be used to train local staff, she said.

The government is going to continue its policy of resettling citizens from the south to the north of the country, and retain the accompanying subsidies.

“These measures should increase the territorial mobility of labour resources, the rational resettlement of citizens in accordance with the needs of the economy,” Duisenova said.

One of the main directions of the new migration policy is ethnic migration. A number of problems impeding the return of ethnic Kazakhs were solved last year. Thanks to this, 16,500 ethnic Kazakhs returned to Kazakhstan in 2016, eight times more than in the previous year.

The ministry is now proposing that the issue of resettling ethnic Kazakhs be reconsidered, including methods to strengthen ties with ethnic Kazakhs living abroad who don’t return to Kazakhstan. This will be handled using cultural centres and embassies. The government also plans to target Kazakh qualified experts living abroad and create a separate electronic database of people who have achieved good results.

Ethnic Kazakhs living abroad will have a temporary opportunity to come to Kazakhstan and work through a process the ministry says will be easy. Assistance in adapting will be provided at special service centres.

More than 1,700 rural settlements to access broadband internet through Digital Kazakhstan

Continued from Page A1

With 47 percent of the nation’s population living in rural areas, the issue is of paramount importance. At present, 122 cities and approximately 1,200 rural settlements have access to high speed internet, he added. The ministry plans to install 24,000-kilometre long fibre optic communication lines to allow more than 1,700 rural settlements to gain access.

The scope of the programme also includes more than 2,000 schools. Though 98 percent of schools in Kazakhstan have internet access, high speed broadband internet necessary for digitalising schools is not in place in 66 percent of all schools, according to Minister of Education Yerlan Sagadiyev.

The work is underway, said Abayev.

“We are currently compiling the list of rural settlements together with the Ministry of National Economy. In general, we plan to implement the programme in 2018-2020,” he added.

The project is unique in its emphasis on state and private partnership that subsequently reduces the national budget load, said Minister of National Economy Timur Suleimenov.

“We reviewed several options of preparing the project. One of them was institutional state and private partnership based on the build-operate-transfer (BOT) principle, but after discussing [the project] with industries, we decided to stick to a service contract model of long-term service procurement,” he said.

With the model in force, he added

the investor granted the right to implement the project will commission the communication lines every quarter for three years, incorporating all rural settlements in the list. At the same time, the government will ensure services are procured for 14 years based on long-terms tariffs yet to be determined by the ministry.

“As we are dealing with such a rapidly developing and specific field as the internet, it is important not to make a mistake in terms of the financial side, but most importantly technological aspects,” said Suleimenov.

He noted the procedures currently take a long time, as the announcement of the competition and application period alone needed about two months.

“Therefore, we need to launch the programme as soon as possible,” he added.



Photo credit: primeminister.kz

Government approves list of state functions to be privatised

By Aigerim Bulambayeva

ASTANA – The Kazakh Parliament approved Sept. 26 the list of state functions to be privatised, resulting from the revision of the draft law “On amendments and additions to certain legislative acts of the Republic of Kazakhstan on transferring state functions to a competitive environment” on Sept. 26.

The preliminary list of functions was submitted to parliament by a government commission, reported the Prime Minister’s website.

The amendments could be classified as a consolidation of basic approaches to state functions which would be transferred to a competitive environment, said Minister of National Economy Timur Suleimenov. Changes

would be based on the results of the first transfer.

The key regulations of the draft law include the aims, principles and methods of transfer, criteria, selection and transfer algorithm, monitoring the quality and return mechanisms of the functions and the rights and obligations of executors and potential executors.

Functions associated with national and informational security, defence and protection of public and constitutional order and human rights, liberties and justice would not be transferred.

The suggested algorithm consists of seven main steps: annual selection of state functions, government commission approval of the preliminary list, public discussion, analysing the market readiness level and regulatory impact,

approving the transfer list, legislative consolidation of the developed proposals and monitoring the transfers.

“A proposed approach will ensure high quality transfer of the functions to a competitive environment,” said Suleimenov.

Based on initial results, the following functions were approved for transfer – those in the Ministry of Justice regulating appraisal activity, those in the Ministry of Energy regulating ecological activity and those in the Ministry of Health identifying citizens’ satisfaction level with the quality of medical care provided.

The Ministry of National Economy and the Atameken National Chamber of Entrepreneurs websites will post the necessary information about the transfers to keep citizens aware of the progress.

EXTERNAL NEWS IN BRIEF

The Kazakh language centre, unveiled Sept. 20 at Xi'an International Studies University, is the fourth centre in China focused on promoting Kazakh language and culture, reported Kazinform news agency. The centre is part of the nation's recent programme "Course towards the future: modernisation of Kazakhstan's identity." Kazakhstan's Ambassador to China Shakhmat Nuryshev, university president Wang Junzhe and Astana's Eurasian National University Confucius Institute head Bibikhadisha Abzalova were joined by Shaanxi province foreign affairs and education department representatives for the opening ceremony.

Young Kazakh athlete Albina Abdrakhman claimed a bronze medal at the Asia Wushu Championship held Sept. 14-21 in Gumi, South Korea, reported the North Kazakhstan region's department of physical culture and sports press service. The Kazakh national team consisted of four athletes who competed against the best wushu (martial arts) athletes from the continent, with the strongest coming from Hong Kong, Korea, Macao and Sri Lanka.

The Kazakh delegation was one of nine nations that presented its tradition and culture Sept. 20 at the Altai culture festival in Seoul. Visitors were welcomed in Gwanghwamun, one of the city's largest squares, where they had an opportunity to see a Kazakh yurt and ride a horse. As part of the festival, scholars also gathered at a conference to discuss the historic link between the Turkic and Korean people. The discovery of historical artefacts on Kazakh territory confirms the close ties between the nations dating from ancient times. The participants intend to continue the conference next year.

The Kazakh-Chinese Centre to stimulate trade, economic and investment cooperation between the nations will be opened in Shanghai, reported Kazinform news agency. The countries, including 12 Chinese companies that took part in EXPO 2017, signed an agreement Sept. 28 in Shanghai as part of the Kazakh-Chinese forum. The Kazakh embassy in China advanced the idea for the centre, which will primarily focus on assisting Chinese business people in the Anhui, Fujian, Jiangsu, Jiangxi, Shanghai and Zhejiang provinces in clarifying Kazakh legislative norms in investment, customs and other pertinent areas.

The delegation from Kazakhstan participated in the Rail Forum 2017 in the Finnish city of Kouvola Sept. 28 that brought together leading transit and transport companies of China, Finland, Kazakhstan, including national Kazakhstan Temir Zholy railways company, and Russia. The participants focused on the Eastern Corridor project that seeks to connect Northern Europe to Asia through Kouvola-Kaluga-Khorgos-Zhengzhou railroad, with China, Finland, Kazakhstan and Russian being parties to the agreement. Delivering a speech was Ambassador of Kazakhstan to Finland Murat Nurtleuov, who emphasised a strategic bilateral cooperation pointing out promising areas that could bring the partnership to a new level, including digitalisation, robotisation, information technologies and communication.

Astana Opera ballet dancers made a splash at the Royal Opera House Muscat in Oman presenting a new version of Tchaikovsky's Swan Lake Sept. 28, 29, and 30 as part of their tour. Astana Opera Ballet Company Artistic Director Altynai Asylmuratova choreographed the new version. Diplomats, business people and dancers from the world's finest ballet companies attended the premiere. Former principal dancer with The Royal Ballet in London Mara Galeazzi noted the young age of ballet dancers and their ability to perform such difficult play.

At UN, FM Abdrakhmanov outlines Kazakhstan's priorities and peacemaking initiatives

By George Alan Baumgarten, United Nation Correspondent, Special for the Astana Times

NEW YORK – In his first appearance before the United Nations General Assembly as Kazakhstan's Foreign Minister, Kairat Abdrakhmanov outlined his country's view of the world and its many, varied problems and crises. Speaking in the Assembly's grand hall at the UN's New York headquarters on Sept. 21, he also described in particular the efforts of President Nursultan Nazarbayev and the Kazakh government to use their "good offices" to achieve some breakthrough in the six-year-long bitter, violent conflict in Syria.

In his wide-ranging address, delivered as part of the Assembly's General Debate, Abdrakhmanov noted that Kazakhstan had achieved harmony within its "multi-ethnic and multi-religious society". Speaking of the further domestic priorities of his government, the foreign minister said Kazakhstan was pursuing a three-pronged modernisation of economy, political system and national identity with an ultimate goal of reaching the top 30 most developed nations by 2050.

As the venue for the former Soviet nuclear test site, the foreign minister asserted that "nuclear weapons are no longer an asset, but a danger". He noted that Aug. 29, the UN-recognised International Day against Nuclear Tests,



Kazakhstan Foreign Minister Kairat Abdrakhmanov.

actually commemorates the day in 1991 when the former test site at Semipalatinsk was finally closed, by decree of President Nazarbayev. Kazakhstan, according to recent initiatives from its leader, favours a four-part plan of action on nuclear disarmament: 1) A summit of all states possessing nuclear weapons to discuss further steps they should take to reduce their arsenals, 2) Enhancing the role of nuclear weapon-free zones, 3) Renewing the process of global nuclear security summits and holding the next one in Astana, and finally 4) Pursuing joint efforts to make the Nuclear Weapons Prohibition Treaty effective by 2020, the 50th anniversary of the entry into force of the Nuclear Non-Proliferation Treaty.

In addition to the nuclear weapons issue – on which Kazakhstan is in the vanguard of advocating states – Abdrakhmanov reminded his audience of President Nazarbayev's Policy Address to the Security Council earlier this year, which outlined, as a key goal, the

achievement of a nuclear weapon-free world by 2045

As it happened, the same day the UN Security Council held a special session dedicated to nuclear non-proliferation which was marked by a strong praise for Kazakhstan's contribution to global nuclear disarmament and security from none other than U.S. Secretary of State Rex Tillerson.

"This courageous decision by the leaders of Kazakhstan greatly reduced the prospect of nuclear weapons, components of nuclear weapons or nuclear materials and dual use technologies from falling into wrong hands," Tillerson said referring to President Nazarbayev's decision in the early 1990s for Kazakhstan to relinquish one of the world's largest nuclear arsenals it inherited when the Soviet Union collapsed.

"Kazakhstan's actions represented a key step in that country becoming a part of the community of nations," Tillerson stressed. "As a result of letting go of nuclear weapons, the world does not look on Kazakhstan as on a potential nuclear aggressor or rogue state. It did not make enemies of its nuclear neighbours, Russia or China. Today Kazakhstan has overwhelmingly been at peace with its neighbours and its trade relations are robust. This year it hosted World EXPO 2017, an event in Astana which showcased the sources of future energy and investment opportunities in Kazakhstan to attendees from around the world. This is a modern nation making a

substantial contribution to regional and international peace and prosperity. Kazakhstan has only benefited from its early decision."

And he continued, "In my previous career I met President Nazarbayev on many occasions and had the opportunity to ask him about this decision. He is more at peace with this choice than ever, he once remarked to me, 'It was the best thing I ever did for our young country.'"

In his own remarks at the General Assembly, Abdrakhmanov, too, could not resist mentioning the recently-concluded EXPO 2017, noting that its slogan was the ever-timely "Future Energy" and that it had attracted more than 130 countries and international organisations who sought to present the best technologies in this critical area.

The foreign minister made only brief mention of the Middle East, noting that Kazakhstan favours a two-state solution between Israel and the Palestinians. And he devoted significant attention to what has come to be known as the "Astana Process". This refers to Kazakhstan having now hosted six rounds of talks in its capital between three so-called guarantor states – Russia, Turkey and Iran, – along with the Syrian government and armed opposition in order to end the violence on the ground in Syria. The Astana Process is viewed as complementing the one in Geneva where political solutions to the Syrian conflict are to be found.

The recent positive develop-

ments in Central Asia occupied their own place in the Kazakh diplomat's remarks as he expressed "satisfaction that extended regional partnership among Central Asian states enhances common capability to withstand threats and challenges."

According to Abdrakhmanov, "with this in mind, during our UN Security Council membership [in 2017-2018] we are focusing on creating in our region of Central Asia a model for a regional zone of peace, security, development and cooperation." He noted that Kazakhstan pays particular attention to regional cooperation in overcoming the Aral Sea catastrophe. "The International Fund for Saving the Aral Sea remains the only permanent platform for dialogue among heads of Central Asian states. We believe that it could be used to combine our efforts to elaborate a mid- and long-term strategies of regional development," he said.

Abdrakhmanov's address might well be entitled "From Kazakhstan...our view of the world, and our growing part in it". It portrayed a rich, growing and rapidly-modernising country... ready, willing and able to assert its role, which it sees as one of increasing engagement and leadership. To say that it is one of the truly "up and coming countries" is already something of an understatement. It seems increasingly clear, however, that this will only be more obvious, with the passage of time.

Astana, Minsk seek trade turnover of \$1 billion by 2020

By Aigerim Seisembayeva

ASTANA – Kazakhstan First Deputy Prime Minister Askar Mamin announced at the Sept. 22 13th meeting of the Kazakh-Belarusian Intergovernmental Commission (IGC) for Trade and Economic Cooperation in Karagandy that trade with Belarus should be increased to \$1 billion by 2020.

On the sidelines of the commission meeting, Mamin and his Belarusian counterpart Vasily Matyushkevsky also discussed bilateral cooperation in trade, investment, industrial cooperation, agriculture, science and technology, transport and logistics. Mamin noted the successful



Kazakhstan First Deputy Prime Minister Askar Mamin (L) and Belarusian First Deputy Prime Minister Vasily Matyushkevsky.

Kazakh-Belarusian relations, including participation in integra-

tion associations, primarily in the Eurasian Economic Union.

Experts discuss public governance at Asian leadership forum

By Yerbolat Uatkhanov

ASTANA – Asian civil servants and political figures together with representatives of the Organisation for Economic Co-operation and Development (OECD) secretariat discussed innovative solutions and shared best practices in administrative reforms at the Asian Leadership Forum, held at the 2017 EROPA (Eastern Regional Organisation for Public Administration) General Assembly annual conference in Seoul.

Alikhan Baimenov, chairperson of Astana-based Regional Hub on civil service, presented the nation's achievements in public governance reforms, highlighting further enhancement and effectiveness.

Creating a special environment with maximum development and use of people's potential and innovations is a key factor, he said, as is horizontal and vertical balance of institutional power, responsibility and resources. Baimenov also noted the importance of leaders'



Alikhan Baimenov (L) and Pan Suk Kim.

abilities to harmonise their decisions with the aims of society, the state and sustainable development goals.

Baimenov met with Korean

Minister of Personnel Management Pan Suk Kim and OECD public sector division directorate for public governance and territorial development head Edwin Lau

to discuss further steps in joint research projects.

The regional hub in Astana was established by the government and the United Nations Development Programme (UNDP) at a constituent conference in 2013 with the participation of representatives from 25 countries and five international organisations. The hub, which aims to promote developing effective public service systems in the region, currently has participation from 34 countries and five international organisations.

The hub is a multilateral institutional platform for the continuous exchange of knowledge and experience in developing civil service to stimulate transforming public service in the region using innovative approaches to civil service reform and developing practical solutions supported by comprehensive research. It has financial and institutional support from the Kazakh government and UNDP. Participating countries extend from North and South America and Europe through Central Asia

and the Caucasus to ASEAN (Association of Southeast Asian Nations) countries, which indicates effective public service is a constant and universal need for all countries.

EROPA is composed of 10 countries from the Asia-Pacific region (China, India, Indonesia, Iran, Japan, Korea, Nepal, the Philippines, Thailand and Vietnam), 97 organisations and approximately 600 individuals united with the common goal of public governance enhancement.

OECD aims to promote policies that will improve the economic and social well-being of people around the world. It organises forums in which governments can work together to share experiences and seek solutions to common problems. Cooperation with different governments helps to understand what drives economic, social and environmental change and analyse and compare data to predict future trends. OECD sets international standards for agriculture and taxes for chemical safety.

ECONOMY

WEDNESDAY, OCTOBER 4, 2017

AIFC governor talks blockchain development, mid-shore concept and head hunting

Continued from Page A1

He also addressed the issue of the capital becoming another off-shore by saying that AIFC prefers the term ‘mid-shore.’

“Some expert circles have a negative connotation of that word [offshore], but there are different types of offshores. The London network was the first world off-shore. That is, this is the direction where international sites as a whole interact with each other. We like the concept of ‘mid-shore’ more. We will join all initiatives. Kazakhstan supports the Financial Action Task Force on combating money laundering and combating terrorism. We will stick to the position of Singapore, which says that a very strict regulatory regime is better than some offshore schemes that quickly appear and quickly disappear,” said Kelimbetov.

The infrastructure is important, but the professionals working at AIFC play an even bigger role, especially when talking about English common law, which has never before been introduced in Kazakhstan. Kelimbetov said that the financial center will be focused on hiring local people, such as graduates of the Bolashak Programme who studied at the



world’s leading universities, the country’s IT and financial universities and Nazarbayev University.

“Therefore, even in the direction of the judicial corps, we signed a special memorandum with the Supreme Court. [Members of] the Prosecutor General’s Office of Kazakhstan are taking a relevant internship in London and the U.S. under the Bolashak Programme in order to understand how English common law will come into

contact with ordinary Kazakh law. We agreed that the Supreme Court will support the activities of our court and ensure the execution of those decisions, which our court will accept. In those areas where we do not currently have world-class specialists, we will attract them. In those areas where there is an opportunity to pull up local personnel, as well as regional ones in a broad sense, we will stick to this direction,” he stressed.

One of the financial hub’s priorities will be developing capital markets, said Kelimbetov.

“You know that our financial sector is more focused on the work of banking institutions and traditional instruments of interaction with the public such as deposits and lending. We are now working on the creation of a non-banking financial community. We believe that the capital markets will significantly improve the

situation in the financial sector of Kazakhstan, on the one hand, and on the other will create a regional platform for the development of stock markets in our region,” he said.

Another priority will be managing private and public assets and individual funds and wealth management, often called private banking. AIFC is also focused on developing Islamic finance and Kazakhstan has hosted several conferences on the topic this year.

Financial technologies will also be important for AIFC.

“You know that the head of state recently held a meeting on the Digital Kazakhstan programme. This is a serious and important programme of the government for the coming period. At this meeting, he has instructed making AIFC a leading expert centre in the development of new financial technologies. We are in close contact with all the world’s leading players in this field. In the near future, we plan to join a consortium of international hi-tech hubs which include leading global banks which are currently searching for appropriate solutions, including national and regional cryptocurrencies and in the field of blockchain technologies,” he added.

ECONOMY NEWS IN BRIEF

The number of overdue loans in Kazakhstan has increased, according to the Kazakh Association of Financiers website. An analysis indicates in the first eight months of this year, overdue loans in the system rose from 12.2 percent to 18.8 percent, or 2,589.3 billion tenge (US\$7.6 billion). Approximately 25 percent of the non-performing loans (NPLs) in the system belong to Qazkom, 12 percent to Delta Bank. In addition, loans in the system more than 90 days overdue have increased to 12.8 percent compared to 6.7 percent at the beginning of the year. “Thus, the quality of the loan portfolio is deteriorating, evidenced by the acceleration of the rate of growth of problem loans’ recognition. Meanwhile, formed provisions for the system make up 2,214.1 billion tenge (US\$6.5 billion), or the equivalent of 126 percent coverage of NPL 90+,” notes the website.

The National Bank of Kazakhstan anticipates 3.1-percent economic growth for 2017 with an oil price of US\$50 per barrel. In the midterm, external demand is expected to recover due to positive economic growth in Russia and moderate economic growth near its potential in China, as well as weak economic growth in the European Union (EU). “The estimates became more positive due to higher recovery rates of economic activity in the second quarter. Given the higher base in 2018, economic growth is anticipated to be at the level of 3 percent. In the long run, GDP growth will aspire to its potential value,” reported the bank. It added that in the second half of the year annual inflation is expected to be closer to the upper boundary of the target corridor with an oil price of US\$50 per barrel due to supply shocks in food markets. As the shocks subside, inflation lower than the 2017 midterm is expected to make a smooth entry into the target corridor.

Kazakhstan was ranked 57th in the World Economic Forum Global Competitiveness Report for 2017-2018, five spots lower than the previous year. “Although the trend is positive for most Eurasian economies, there are few signs of narrowing the gap between the country ratings in the region. The most competitive economies, including Russia (38th, up by five positions), preserves their advantages. Moldova was rated 89th, marking an increase by 11 positions. Other countries, which have been improving their ratings in previous years, rolled back. Georgia (67th) and Kazakhstan (57th) ratings fell,” said the report.

Trade turnover between Armenia and Kazakhstan increased 38 percent to US\$2.6 billion in the first seven months of 2017 compared to the results of the similar period in the previous year, according to a report presented at the seventh Armenia-Kazakhstan Intergovernmental Commission (IGC) on trade and economic cooperation held Sept. 27 in Yerevan. The Kazakh delegation was led by Deputy Minister for Investments and Development Yerlan Khairov; Deputy Foreign Minister Robert Harutyunyan headed the Armenian group. Khairov noted the countries are not fully exploiting their existing potential and the leaders agreed to promote developing cargo flows via railways in both countries to work through issues to mutually promote Armenian and Kazakh goods.

Kazakhstan is ready to increase the export and transit of gas to China up to 100 billion cubic metres per year, said Yerkanat Temirhanov, KazTransGas Deputy General Director for Transformation and Development, during the ERRA Energy Investment and Regulation Conference. “We want to increase the export and transit of gas to China to 100 billion cubic metres per year or maybe even more. Today, we are only ready to transport 10 billion cubic metres safely to China. We work with Uzbekistan, Turkmenistan and, of course, with Russia. The reason is that, as you know, the policy of our state is a multi-vector supply not only to the domestic market, but also to other routes,” he added.

Insurance coverage options to be simplified, travel insurance to become compulsory, says official

By Zhanna Shayakhmetova

ASTANA – Online insurance will be introduced to increase accessibility not only in large cities, but also in regions, said National Bank Chairman Daniyar Akishev at a Sept. 26 government meeting. The draft law “On Amendments and Additions to Some Legislative Acts on Insurance and Insurance Activities” was presented to the government.

The level of insurance services and economic significance of the insurance market will remain, said Akishev. The amount of insurance premiums has not exceeded one percent of the GDP for the last ten years.

The new law aims to improve the quality of insurance services and reduce its cost for citizens and businesses.

“The law introduces online insurance. The world’s share of online buvers accounts for 40 percent.



Daniyar Akishev

People will have the opportunity to enter into insurance contracts online as a result of online insurance introduction. Previously, the legal framework did not allow the project to be implemented at full capacity,” he added.

Residents will be able to complete insurance contracts online without visiting an office or meeting an agent. Insurance coverage procedures will be simplified to speed up all business processes.

“A single database on insurance contracts is a key element of online insurance. The database will be a single accounting organisation and a repository for compulsory insurance policies,” noted Akishev.

The insurance sector will be the first segment to implement

the World Trade Organisation’s (WTO) requirements for market access to foreign companies’ branches.

“The national insurance sector does not have much time to provide a sustainable development model that can withstand competition. Therefore, changing the environment and the challenges facing the insurance market require further improvement of the legislation,” he said.

The law also touches upon certain issues related to Kazakh travellers. They can currently obtain insurance coverage only after returning from their trips and based on a valid court decision. No list of situations has been complied when tourists have the

right to receive insurance coverage and “its amount remains inadequate” to protect their interests, he added.

“The law introduces the transition to compulsory property and casualty insurance for persons going abroad to protect Kazakh tourists. The travel agency will provide this insurance as part of the compulsory programmes, which will include the basic social protection coverage related to environmental and social risks. Due to coverage, the cost of insurance will be about 340 tenge (US\$1) per day. Insurance coverage varies from 3.4-17 million tenge (US\$10,000-\$50,000),” said Akishev.

Almaty to host 25th KIOGE oil and gas conference Oct. 4-6

By Rauan Nurkenov

For a quarter of a century, the Kazakhstan International Exhibition and Conference KIOGE has annually gathered representatives of the world oil and gas market in Almaty.

This year, the 25th Anniversary Oil and Gas Exhibition and Conference KIOGE 2017 will be Oct. 4-6. It will bring together more than 250 companies from 25 countries.

The conference will include seminars on human resources, secrets of working with large operators, such as TCO, KPO, NCOC, as well as technical aspects related to safety at work and assessing the condition of facilities. Kazakh oil industry leaders will also offer workshops.

Tengizchevroil (TCO) will present an overview of the pre-qualification process at the Future Growth Project – Wellhead Pressure Management Project (FGP-WPMP). This year the company has allocated \$5 billion for this project at the Tengiz field.

The operator of the North Caspian Project NCOC will dedicate its seminar to compliance with the norms of Kazakh content. The North Caspian project has a significant impact on the economy of the country. The total amount of payments for local goods, works and services, has amounted to more than \$13.3 billion since 2004.

This year, the KIOGE conference will cover topics related to the activities of companies against the backdrop of low oil prices, attracting investment and improving the efficiency of oil production.

KIOGE 2017 key speakers will be First Vice Minister of Energy of Kazakhstan Makhambet Dosmukhambetov, Deputy General Director of Tengizchevroil Murat Mukashev, Deputy Managing Director of NCOC Zhakyp

Marabaye, EBRD Director for Kazakhstan Agris Preimanis, General Director of PSA LLP Murat Zhurebekov, Chairman of the Presidium of the KazService Union Rashid Zhaksylykov and representatives of KazMunayGas,

General Director of Caspian Pipeline Consortium Nikolay Gorban, Chairman of the Board of EmbaMunaiGas Anuar Zhaksybekov and many others.

The conference will discuss the development of innovative technologies in transportation and the storage of hydrocarbons. This topic is especially relevant for Kazakhstan, as it is an integral part of the global hydrocarbon supply community. Major projects of the country connected with hydrocarbons transportation via oil pipelines, railways or sea, provide Kazakhstan with a reliable place in the East-West supply chain.

The conference programme includes a session dedicated to the anniversary of KIOGE – National treasure. Faces of oil and gas industry of Kazakhstan. This session will be an open platform allowing oil and gas industry leaders discussing how independent Kazakhstan developed its oil and gas industry.

Organisers of KIOGE 2017 are Kazakhstan exhibition company Iteca and its international partner the ITE Group of companies from Great Britain.

Sponsors of the event are HMS Group, DOW, Caspian Pipeline Consortium, KPO, NCOC, SIMONE, Tengizchevroil and EmbaMunaiGas JSC, ILF Consulting Engineers, Dahua Technologies Kazakhstan LLP.

More details at www.kioge.kz



The Eurasian Development Bank (EDB) has become the largest investor to take part in the primary issuance of KazTransGaz international bonds at the Kazakh Stock Exchange (KASE), according to the bank's press service. The total value of the issue is \$750 million. Investors placing their bids via the KASE trading system have been allocated bonds with an aggregate principal of \$78 million (10.4 percent of the total value of the issue). The total value of investor bids placed via KASE exceeds \$100 million. "It was important for us to have taken part in the issuance of Eurobonds through the KASE trading platform, and thereby support the burgeoning financial market of Kazakhstan. In addition to that, our involvement in the deal is fully consistent with the EDB's mission to promote development of the economies of its member states, as this Eurobonds issue will promote development of the real sector of the Kazakh economy," said EDB Managing Director Dmitry Ladikov-Roev.

Okko, one of the largest legal online cinemas in Russia, has started working in Kazakhstan, according to company's press service. Okko is a partner of 20th Century Fox, Warner Brothers, Paramount Pictures, Sony Pictures Entertainment, Universal Studios and Walt Disney Pictures. The company is negotiating with Kazakhfilm on the purchase of rights for local films. The online cinema plans the introduction of a separate subscription for a collection of Kazakh cinema. Okko in Kazakhstan has more than 18,000 units of content. Customers can buy video forever, rent or use a selection of eight thematic subscriptions. The cost of the service in Kazakhstan will be the same as in Russia, according to the statement.

A waste sorting line with a production capacity of 100,000 tonnes of waste per year has been launched in Taldykorgan. This is the first stage of the construction of a garbage processing plant with a total cost of 1.4 billion tenge (US\$4.1 million), according to the press service of the akim (governor) of the Almaty region. Also, a workshop for the production of recycled products has been launched, said the head of the ADAL DAMU Capital Yerlan Duysenbayev. The enterprise has begun to produce pellets from plastic and film, as well as polymer-sand paving stones. Special equipment for the production of egg trays has been purchased and is ready for installation. The second and third stages of the project envisage the production of biogas and biohumus.

Tsin-Kaz has launched country's first production of soy sauce in Almaty. Also the company has started a new line for the production of vegetable salads, according to the Department of Entrepreneurship and Industrial and Innovative Development of Almaty. Two new workshops were put into operation after the fruit and vegetable processing enterprise was modernised and automated and its existing production line expanded. In total, the assortment of products includes more than 20 types of goods, including tomato paste, ketchup, jam and sauces. The production capacity is 6,300 tonnes of all products per year. The enterprise can cover more than 50 percent of the demand of the Kazakh market for tomato paste. The company's products are represented in 42 regions of Kazakhstan, Russia and Kyrgyzstan.

The akimat (administration) of the Zhambyl region signed a memorandum with representatives of the industrial complex Higer Quazar on the construction of a plant for the production of up to 300 electric vehicles a year in the Taraz industrial zone, according to inform.kz. The cost of the project is about 3 billion tenge (US\$8.8 million). "I had to fly to China urgently and meet with representatives of this plant. The factory is located just 60 kilometres from Shanghai. Why? We were at EXPO, saw this bus and decided to produce them," said Akim (Governor) of the Zhambyl region Karim Kokrekbayev. "The chassis is assembled in Sweden, the body is assembled in China, and we want to assemble the charger in our industrial zone, at the Taraz Metallurgical Plant," he added.

By Yerbolat Uatkhanov

ASTANA – When you think of grain farming, you might think of dusty tractors, rough hands running over golden fields, the sounds of threshers working. But Kazakhstan's newest agricultural tool is more data field than wheat field.

Wexport.com was officially launched in the end of 2016 by WESSAR, and since then the internet source has rapidly gained popularity among producers, buyers and shipping companies of agricultural products in Kazakhstan and abroad. The portal uses a simple interface to help facilitate

the fast and efficient sale of goods abroad.

General partner of WESSAR Ulukbek Aliyev emphasised that today the entire world is digitising, driving the need for a new, innovative online solution to improve and rationalise business processes, particularly in Kazakhstan's crucial agriculture sector.

Agriculture is traditionally important for Kazakhstan, he noted, being the largest employment sphere of the country's population and one of the main sources of economic diversification in the country's plans.

According to WESSAR CEO Aidar Daukenov, WExport.com's

portal has become the first qualitatively new and effective tool in the trade market from Kazakhstan. The portal transfers transactions for the acquisition, sale and transportation of grain products to the online world. In the first web portal for fast and reliable interaction of partners in agricultural business, the WExport team has created the conditions for secure transactions and gives a guarantee at all stages of concluding agreements.

WESSAR tried to make conclusion of agreements at the portal as simple as possible and the company's efforts are appreciated by customers, the number of which is increasing from one day to the

next. More than 150 international contracts with customers from Afghanistan, Iran, Saudi Arabia, Turkey, Israel, Mongolia, China and the countries of the Commonwealth of Independent States have been successfully concluded using the portal.

The portal developers report that more than 10,000 tonnes of high quality agricultural products are delivered weekly using their product. A professional analysis of the market will be provided soon. Such analytic reviews will give users the opportunity to see the real situation on the market and decide when and how to promote products or services.

According to the developers, all personal data of users of the portal remains confidential and is protected from internet scams and cyber attacks thanks to modern encryption technologies and secure methods of data transmission. The data security is ensured in such a way that under any circumstances (natural disasters, failure of the file storage system, emergency shutdown of the server), the system can always return to the return point and restore all data.

As of today, the portal supports three languages: Kazakh, English and Russian. By the end of the year, Ukrainian and Arabic are planned to be added.

By Zhazira Dyusseimbekova

ASTANA – Kazakhstan is planning to introduce preventive control of entrepreneurs instead of random checks, according to inform.kz.

“The measure envisaged under our law is the introduction of preventive control instead of random checks. This measure would probably reform the minds of the inspectors,” said Ministry of National Economy entrepreneurship development department deputy director Aslanbek Dzhakupov during the presentation of a bill on amending legislative acts on improving regulation of entrepreneurial activities.

According to statistics, the number of business entity inspections during the last eight years decreased from about 500,000 in 2010-2011 to 98,000 in 2016. The current system of state control and supervision is organised in such a way that violations and measures of responsibility are determined after they happen, he said. The in-



teraction principles between business and the state should instead be based on the effectiveness of state entrepreneurship regulation and the priority of preventing violations.

"If we look at the statistics of the committee on legal statistics, there are the following graphs; for example, how many checks were conducted, how many administrative measures were provided for by

the government agency and the effectiveness of this public authority is shown in a simple mathematical

By Yerbolat Uatkhanov

ASTANA – The Asian Development Bank (ADB) and the World Bank have proposed establishing a municipal infrastructure fund in Kazakhstan. ADB intends to facilitate financing small utility companies in the state, said bank representation director Giovanni Capannelli at a Central Communications Service briefing.

"We, together with the World Bank, propose to create a municipal infrastructure fund. Until now, our main

ADB plans to provide financing for sovereign and long-term projects for up to 25 years at the Libor rate +50 base points, with LIBOR being around 1.4-percent.

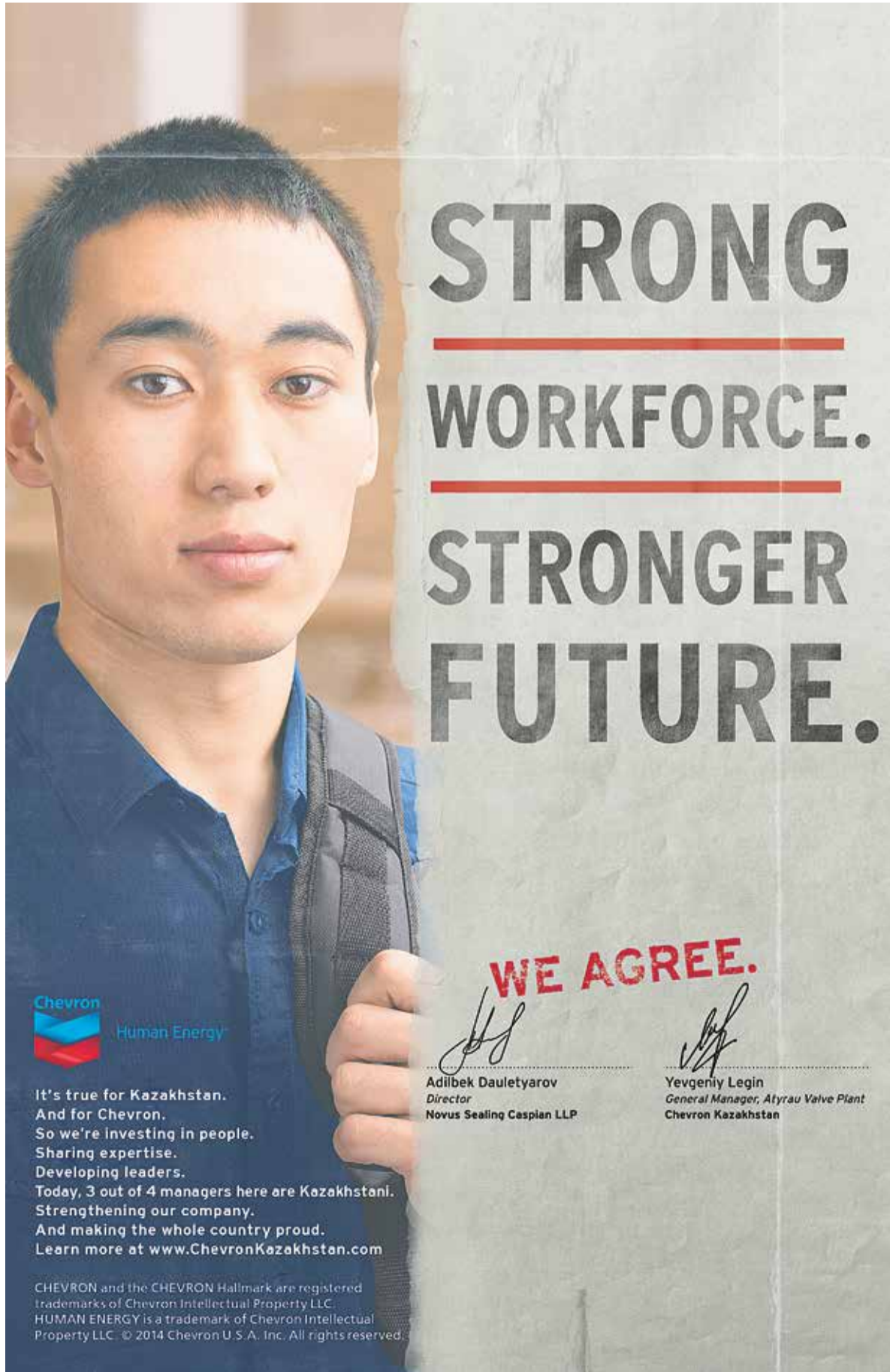
problem was the creditworthiness of small-scale utilities at the level of cities and settlements to obtain our financing, our investments. Other international financial institutions provided certain types of financing to utilities in the region, but interest rates were quite high and this creates problems on the way forward in terms of fiscal sustainability. Therefore, now we are discussing the creation of a

municipal infrastructure fund in the government, because that's how we can alleviate certain conditions, especially in the financial part," he said.

He added ADB is interested in determining a way to grant financing in tenge, which is important since purchases are made in local currency. In February, a \$20 million repurchase (repo) agreement was signed with Kazakhstan's National Bank to be used for projects in the near future. Issuing bonds in tenge will also be discussed.

Capannelli added ADB plans to provide financing for sovereign (governmental or state-guaranteed) and long-term projects for up to 25 years at the Libor rate +50 base points, with LIBOR being around 1.4-percent. The bank will be creating a special mechanism to finance in tenge, where sovereign conditions will be combined with non-sovereign ones and the government can only be asked to give support to a certain share of the project. Instead of the 14-15 percent rate, as in the market, the bank will be able to provide a special rate for concessional financing. Detailed conditions will be arranged for each specific project.

ADB, established in the early 1960s, was created to boost economic growth and cooperation in developing countries. The bank assists its members and partners, providing loans and technical assistance, grants and equity investments to promote social and economic development. ADB is composed of 67 members, 48 of which are from the Asia and Pacific region.



EDITORIAL&OPINION

WEDNESDAY, OCTOBER 4, 2017

Government needs to implement strategy of attracting more foreign investment

Nearly a decade after the 2008 global financial crisis, the global economy is improving. The most recent International Monetary Fund (IMF) forecast, issued in July, projected global growth at 3.5 percent this year and 3.6 percent in 2018, up from 3.2 percent in 2016. Unemployment in the world’s biggest developed economies has been falling. Despite the positive outlook, however, risks remain. Just last week, the World Economic Forum (WEF) warned that the global economy is at risk of a fresh crisis and is also ill-prepared for the likely disruption from the digital and robot age.

Kazakhstan, as an open and outward-looking nation, is not immune to any potential shocks to the global economic system. That is why the government has been securing future benefits by actively enhancing Kazakhstan’s competitiveness. Since our independence, major improvements have been made to our economic and investment environment. According to the WEF Global Competitiveness Index, Kazakhstan has decent labour market efficiency and technological readiness. In addition, there are some reasonable investment incentive packages in place, including a visa-free regime for citizens of all Organisation for Economic Co-operation and Development (OECD) and European Union (EU) member states and exemption from custom duties for equipment and raw materials and from land and corporate tax. Of course, there is always room for more progress. According to WEF, there is a need to improve access to financing and continue eliminating corruption.

Astana understands the importance of creating a more favourable investment climate and attracting foreign direct investment. This is why in August the Kazakh government approved a national investment strategy for 2018-2022, which seeks to increase foreign investments by 26 percent in five years. Obviously, Kazakhstan’s economy is currently dependent on natural resources, especially oil, ferrous and non-ferrous metals and uranium, and they will undoubtedly continue to play an important role in the growth of Kazakhstan’s economy.

But the government made a decision that the new investment strategy should also centre on attracting foreign direct investment in non-resource sectors focused on exports. This makes sense, as there is no denying that diversifying Kazakhstan’s economy is essential to its long-term prosperity, especially with relatively low oil prices.

To facilitate the diversification away from the resource sector, the Ministry for Investment and Development of Kazakhstan, together with the World Bank, has identified priority sectors which are considered the most important to attract new investments. The first group includes industries such as food production (agriculture), mechanical engineering and deep processing of oil, gas and other natural resources. The second group includes sectors such as IT, tourism and finances.

Kazakhstan’s agricultural sector deserves special attention as it is about to undergo an impressive transformation. Some of the world’s most innovative technologies and practices that will soon be introduced in Kazakhstan’s agricultural sector were presented during EXPO 2017 in Astana. These include state of the art agricultural machinery and equipment.

In addition, the Ministry of Agriculture recently established the centre for transfer and commercialisation of agricultural technologies, which will actively study the use of new technologies. The agricultural sector has already played an important role in Kazakhstan’s economy. Now, it is likely to expand even further. The Ministry of Agriculture provides food producers with inexpensive equipment and favourable lease terms, making farming a favourable sector for investment.

Despite Kazakhstan’s size and geostrategic location, many foreign businesspeople are unaware of the investment potential and business opportunities in Kazakhstan. Steps have been taken to rectify this. The government, as part of its new investment strategy, established Kazakh Invest together with a network of its international representative offices and domestic regional branches. This national company promises to become a major player in facilitating the attraction of investment by establishing links between local companies and foreign investors and providing a full range of services on the principle of a “one-stop shop” to support investment projects from the idea to the implementation stage.

There are clear signs Kazakhstan is becoming a competitive force in the global market. The fact that Kazakhstan ranks 35th out of 189 countries in the World Bank Ease of Doing Business index demonstrates that at least some of the government initiatives are paying off. With the launch of the Astana International Financial Centre in January and the ongoing privatisation programme, it seems more may be coming.

Prospects of green economy in Kazakhstan

By Vyacheslav Dodonov

The completion of EXPO 2017 highlighted the prospects for the implementation in Kazakhstan of the principles of sustainable and harmonious development within the framework of green economy, green technologies and green energy. Having proposed a number of international initiatives in this area (the best known of which was the Green Bridge Global Environmental Initiative) and formulated the agenda of EXPO 2017 aimed at their implementation through the development of the energy of the future, the country has an opportunity to demonstrate successful implementation of a strategy of green economic growth.

This opportunity, especially in the field of energy, has been reinforced in the conditions of Kazakhstan by the availability of a rich resource base for future energy, in particular, the extensive potential for electricity generating from renewable energy sources.

In international practice renewable energy refers to solar, wind, hydropower (in the context of the green economy – small hydropower plants), biofuel, geothermal and other types of energy. In Kazakhstan, due to its natural and climatic characteristics, not all the renewable energy sources are relevant. The most promising ones are hydropower, solar and wind energy. According to the estimates contained in the “Concept for the development of the fuel and energy complex until 2030” of 2014, the hydro potential of medium and large rivers is 55 billion kW/h per year and of small rivers is 7.6 billion kW/h per year. The solar energy potential is estimated at about 2.5 billion kW/h per year and the number of solar hours per year is estimated at 2,200-3,000 out of 8,760. The wind energy generation potential reaches 1,820 billion kW/h per year. Thus, the aggregate potential of renewable energy sources for generation of electric power is 1 885 billion kW/h; the thermal potential, 4.3 GW.

At present, the generation of these types of power stations in Kazakhstan is low. So, the volume of electricity production by solar and wind power plants amounted to 320 million kW/h by the end of 2016, which corresponds to 0.3 percent of total electricity pro-



Photo credit: time.az

duction of 94,077 million kW/h. The share of hydropower amounted to 12.3 percent (11,606 million kW/h); that is, the aggregate generation for all renewable energy sources was measured last year at 11.226 billion kW/h or 12.6 percent of the generated electricity. This figure was significantly higher than in the previous year (10.4 percent), with a very significant increase in the volume of electricity production at solar and wind power stations, which amounted to 105 percent.

To date, there are 50 operating renewable energy facilities in the country with a total capacity of 288.3 MW (HPPs – 139.8, WPPs – 90.8, SPPs – 57.3, biogas units – 0.35).

Nevertheless, thermal power stations remain the dominant energy source in the country, with 74,702.8 million kW/h, or 79 percent, produced in 2016.

Meanwhile, existing economic development programmes and sectoral documents provide for a sharp increase in electricity generation on renewable sources. Thus, the concept for transition of the Republic of Kazakhstan to green economy provides for the achievement by 2050 of the share of renewable and alternative energy approximately to 30-50 percent.

Two variants of development of these types of generation represent partial achievement of goals (from 30 percent) and their full achievement (50 percent). In this case, there is a need to take into account that in this document renewable and alternative sources of energy are also understood as atomic and traditional hydropower.

In addition to the forecasting horizon for 2050, the concept also contains

more approximate forecasts for time, including for certain types of renewable energy sources. Thus, there are plans to achieve a 3-percent share of wind and solar power in total electricity production by 2020 and a 10-percent share by 2030. The Strategic Development Plan of the Republic of Kazakhstan until 2020, approved by a presidential decree in 2010, also has guidelines for the development of renewable energy sources – it is expected to achieve “a share of the use of alternative energy sources in the total energy consumption” at 1.5 percent by 2015 and more than 3 percent by 2020.

At the same time, there are also specified target indicators for the development of certain types of generation for renewable energy sources. In particular, in the concept of the transition of Kazakhstan to green economy, there are plans to achieve a share of 3 percent in wind and solar power stations in the total electricity production by 2020 and a share of 10 percent by 2030. These are extremely ambitious plans, considering that currently, as noted above, the amount of electricity produced by these two sources is 0.3 percent. Given that such a sharp breakthrough in the short term of two or three years is unlikely, it is advisable to place greater emphasis in the development of renewable energy at the hydropower plant.

Nevertheless, in general, the prospects for the development of renewable energy in Kazakhstan remain favourable, taking into account both the availability of significant resource potential in the country for wind and sun, as well as the factor of the continuous progress of green energy technologies and lowering the cost of equipment for it, which leads to lower prices on the generated electric power and an increase of its competitiveness with traditional energy carriers.

In this regard, it can be summed up that the elements of the green economy and, in particular energy, will be gradually introduced in Kazakhstan and will be increasingly disseminated, including using the technologies presented at EXPO 2017.

The author is a doctor of economics and the chief research fellow of the Kazakhstan Institute of Strategic Studies.

Satellites support the economy, says cosmonaut and Vice President of Gharysh Sapary Aidyn Aimbetov

By Inga Selezneva

Demand for Earth remote sensing services in Kazakhstan is growing every day. State structures received a call will who was a slip is space images for a total area of 22.3 million square kilometres absolutely for free. However, this did not help prevent the consequences of major flooding in the country this year. Is there any benefit from Earth remote sensing? Does Kazakhstan need its own cosmonaut training centre? Aydin Aimbetov, vice president of Kazakhstan Gharysh Sapary and cosmonaut and major-general of the country’s Air Force answered these and other questions.

Kazakhstan Gharysh Sapary National Aerospace Company provides state bodies with space images for free so they could use them to prevent natural disasters. Kazakhstan has faced plenty of calamities this year: floods, hurricanes and landslide threats. If your company provided the data, why did the authorities fail to minimize the consequences of natural disasters? Did it happen because the arrival of the data was delayed or because local authorities were slow to act?



Aidyn Aimbetov

These images give opportunity for prompt decision-making; at the same time the situation of floods should be evaluated jointly with other state bodies, i.e. akimats [regional, city and district authorities], the Committee on Emergency Situations of the Ministry of Internal Affairs, Kazhydromet [the state’s hydrometeorological service] and so on. In order to monitor the emergencies and prevent them, one must take into account not only the thickness of the snow cover and the rate of its melting, but also the state of the earth – whether it is frozen or not, whether it absorbs water or not. Of course, this also depends on the peculiarity of the terrain. The space images help to determine all of these factors.

Before, I refused to answer

such questions. Starting from 2016, Kazakhstan Gharysh Sapary has been providing high and medium resolution space images to state authorities and the Committee on Emergency Situations. We actively cooperate with them, and it is difficult to answer the question “Who is to blame?” After all, despite the fact that measures are being taken, emergency situations still occur. In this case, it can be noted that citizens themselves are building their homes in floodplains. And I am sure that the employees of the akimat were warned that people are going to build their homes in a dangerous zone – the floodplain of the river. And when it is spring, high flood time, then everyone expects high water; it is normal. In summer there, of course, you can build a house, but in spring the water will come anyway. And mostly, the worst consequences happen because of this. It is also possible to say with certainty that the technical condition of our hydraulic structures leaves much to be desired, since they have worn out since the times of the Soviet Union. It is necessary to allocate funds for their repair. If they are in private hands, then their owners need to think about it in order to prevent accidents. But if they

do not have funds, then probably, these facilities need to be returned to the state.

Given that images were provided, was any damage prevented?

We managed to prevent the theft of about 40 million tenge due to space images. We monitored agricultural land. As you know, subsidies are allocated to our farmers each year, some people work fairly, by using great efforts of their own and technology; others having received subsidies, do not try to plant anything, but simply try to waste money. We were asked to make space images of agricultural areas. They can help determine when the land was planted, to determine the harvest, the ratio of harvest to weeds. Our images made it possible to find out that no work had been done, and the subsidies obtained were returned to the state budget.

Here is another example. We all think that the wealth of our land is gas and oil, but it is also coal, crushed stone and other minerals. The state issues licenses to subsoil users to develop the territory to a certain extent. Among them there are also unscrupulous people who go beyond borders – they pay for one thing, and they process more. How could it be determined? We took pictures and found out that the subsoil users went beyond the

zone designated to them. We also identify illegal garbage dumps, which is a big problem for the community, because they are not only smelly, but also good places for growth of microbes.

In addition, we have done a great job for the government to determine where cannabis is growing. We shot the Shu [Chui] Valley and determined the total mass of cannabis. This is a huge resource of additional raw materials: oil, hemp for hemp ropes, which from ancient times have been considered the strongest. We also found planting sites for cannabis. We provided these photos to the Ministry of Internal Affairs.

Space activity is developing, and although our work is not visible, it has indirect effects. For example, we created a mosaic from a medium-resolution satellite. These images can help show cases of land seizures. State structures will decide whether to demolish illegal houses or give people permission to continue living on the land. But if illegal constructions are identified at an early stage, the consequences for the invaders are the least painful.

In general, we can say that space monitoring is a big eye from above. We can see anything!

Apparently, Kazakhstan has specialists in reading space im-

ages. How many of them are there and where did they learn?

Kazakhstan Gharysh Sapary currently employs 240 people; many of them were trained in leading foreign space universities and organizations and received highly specialized knowledge. Our engineers who manage satellites – it is difficult to find them in our labour market, just like specialists who process these images. There are a lot of financiers and lawyers, but processors of radar images are very few. We need more specialists.

Kazakhstan Gharysh Sapary conducts training, and the National Centre for Space Research and Technology develops techniques on how to carry out certain work with space images; for example, monitoring agricultural fields, forest landscapes, oil spills and so on. Kazakh scientists have been working there for many years the core team has gathered there. I can tell you with confidence that our experts are not worse than foreign ones and in some cases even better, without doubt. They participate in foreign competitions and win and take home awards, even in assembly of special equipment for space facilities.

The full version of this interview is available online at www.astanatimes.com.

THE ASTANA TIMES

Editor-in-Chief: Roman Vassilenko
Managing Editor: Tatiana Kostina
18a Pobeda Avenue Astana, 010000
Telephone/Facsimile: +7 7172 78 00 08
Distribution in Astana: +7 7172 44 51 58, (224)

Publisher: Svezhaya Pressa LLP
News and Editorial: yuatkhanov@astanatimes.com
Advertising: +7 727 252 08 82
Inquiries: info@astanatimes.com
KazPost Subscription index: 64572

Advertiser bears responsibility for the content of advertisements. The newspaper does not answer the readers’ letters, does not mail them, does not consider copies the size of over 5 printed pages, does not review and does not return the materials not ordered by the newspaper. Guest opinions do not necessarily reflect the newspaper’s opinion. For reprinting, permissions must be sought and obtained first from The Astana Times, and reference must be made to “The Astana Times”.

The Astana Times is printed at “Media Holding “ERNUR” LLP, 30 Sileti Street, Astana.

The Astana Times is published since November 2010. The Astana Times is re-registered by the Ministry of Communications and Information of the Republic of Kazakhstan under the registration No. 14037-G of 20 December 2013.

The newspaper is typed and made into pages at the computer centre of “Kazkhstanskaya Pravda”. Published biweekly, the size of 8 pages.

ORDER: 1634

PRINT RUN: 6,000

OPINIONS

WEDNESDAY, OCTOBER 4, 2017

Fight against corruption aims to build a graft-free state, top official says

By Bolatbek Kenzhebayev

ASTANA – A Kazakh delegation recently attended the Anti-Corruption Network for Eastern Europe and Central Asia (ACN) meeting in Paris. ACN, a regional programme established under the Organisation for Economic Co-operation and Development (OECD), provides a forum to promote anti-corruption activities and exchange best practices. Kazakhstan reported on the progress achieved as part of the fourth round of monitoring of the Istanbul Anti-Corruption Action Plan.

In an exclusive interview, Alik Shpekbayev, Deputy Chairman of Kazakhstan’s Agency for Civil Service and Anti-Corruption, provided an overview of the issues presented.

Could you please provide background on the anti-corruption cooperation between OECD and Kazakhstan?

Kazakhstan presented its own model of building a corruption-free state developed during the past 25 years of independence based on the best international practices and national peculiarities. OECD experts have been helping us greatly in doing this through the Anticorruption Network as well as in the framework of the country’s programme. Speaking of the country’s programme, since 2015, 20 activities were carried out, 13 of them being comprehensive overviews. We are working actively on the implementation of the Integrity Scan recommendations. Today, we are involved in 32 OECD working bodies in different capacities – as an invitee, a participant, a partner and an associate member.

What about the model you presented?

Our commitment and uncompromising stance in combating corruption is inspired by the political will and initiatives of the President. We are building a modern state model similar to that of the countries leading in preventing corruption. Large scale economic, social and political reforms have been carried out.

We have started what is known as the Third Modernisation of Kazakhstan. The first prerequisite of modernisation is the establishment of an open and accountable government. In this regard, we have adopted the Law on Access to Information and created an Open Government electronic plat-



Alik Shpekbayev

form consisting of five open data portals. Thanks to them, every citizen can see the budgetary expenses, participate in discussing law drafts, get online consultations and file online complaints, as well as assess the effectiveness of government authorities, without leaving his or her home. Currently, the government is working on enhancing and optimising the functioning of the mentioned portals on the basis of feedback from the people.

Today, the government’s interactions with the citizens are based on the principles of customer-orientation, transparency and accessibility of services. Currently, more than 60 percent of public services are rendered in electronic format. During the first half of this year, 47 percent of services were rendered in electronic format. All the licenses and permits are issued for businesspeople in electronic format only. Twenty-four percent of services are rendered through one stop shops via the Government for Citizens state corporation. These measures allowed reducing the level of everyday corruption by two thirds. In the coming years, we are planning for 80 percent of public services to be transferred to electronic format; the rest will be delivered through one stop shops.

As a result of the measures taken, Kazakhstan occupies a leading position in the electronic government development index among Southeast Asian countries. Our country is also 33rd among 174 countries according to the UN index.

Since the adoption of the Law on Public Councils, heads of government authorities have to publicly report to the citizens. More than 200 public councils are functioning on a regular basis. Every government authority has to submit the drafts of the legislation it is preparing for the review of the public council and has to consider the suggestions.

You spoke about the modernisation in light of the reform of the state apparatus. Could you please tell us more about this?

The next stage of the modernisation of our country is redistribution of powers. As a result, 35 functions of the President have been transferred, thus strengthening the role of the Parliament and the autonomy of the government. For instance, starting next year we are introducing the fourth level of the budget. Local budgets will be adopted only after they are discussed with the public. Thus, the budget will be planned taking into account the needs and interests of the citizens of every region.

The success of the reforms depends on the effective work of the government. It is commonly known that during the epoch of the Soviet planned economy, the state controlled everything. During the independence years, we have reduced the control functions by half. This work continues. Currently, in the framework of Kazakhstan’s modernisation, we are conducting a comprehensive overview of controlling and supervisory functions of government authorities. There are plans to reduce more than 40 percent of supervisory functions and part of the state functions will be transferred to a competitive environment.

Kazakhstan has switched to a career model in civil service. What are its principles?

Today, civil service has switched to a career model that maximises the principle of meritocracy. Now, entering civil service begins with entry-level positions and promotion along the career ladder is possible with the appropriate skills, knowledge and experience in lower-level positions. When entering civil service, there is a need to pass a three-stage selection system, including testing for knowledge of legislation, an assessment of competencies and an interview. Also, in order to increase the transparency of the state apparatus, we anticipate that foreign managers will be hired to work in state bodies.

A special place in the protection of meritocracy is taken by the new Code of Ethics. It regulates the standards of conduct of civil servants during official and off-duty hours. To comply with the norms of service ethics and prevention of violations of legislation, an independent post of ethics commissioner was introduced at government institutions.

Kazakhstan is progressing along the path to form a law-based state. What milestones have been achieved?

A key aspect of the reforms was

the development of modern justice:

- transition from a five-level justice system to a three-level system has been implemented;
- the independence of the procedure for the selection and appointment of judges by the Supreme Judicial Council is ensured, as well as their inviolability;
- a new code of ethics for judges was adopted; and
- full automation of court records management and distribution of court cases is ensured.

In December 2015, the President signed the Law on the Establishment of the Astana International Financial Centre. Within this, an independent financial court will operate based on the principles of English common law. This will allow for effective resolution of investment disputes.

The results of international ratings prove the effectiveness of ongoing judicial reforms. According to the Global Competitiveness Index, Kazakhstan has improved its Judicial Independence indicator by 43 positions over the past five years, moving from 111th to 68th place. Kazakhstan also moved up 27 positions in the ensuring the fulfilment of contracts indicator of the World Bank’s 2016 Doing Business rating.

What about law enforcement?

The law enforcement system and the prosecutorial authorities are also undergoing crucial changes. Notably, we got rid of punitive-repressive methods and accusatory bias in criminal proceedings. The fundamental change in the sphere of prosecutor’s supervision is the exclusion of the leftover of the Soviet past, the so-called “general supervision” from the functions of the prosecutor’s office.

The new look of the prosecutor’s office is in line with the best practices of OECD and gives priority to protection and the restoration of human rights and freedoms, as well as the legality of the criminal process.

Functions of the police are decentralised by creating a local police services which are accountable to local executive authorities. Online maps have been created, with the help of which it is possible to see all statistics on crimes in each region, as well as all appeals addressed to state authorities. In the same place, everyone can leave a comment or question.

The system of recruiting to law enforcement agencies has changed. Now, candidates for law enforcement agencies, like

all state employees, are tested for knowledge of legislation and undergo an assessment of personal competencies and interview.

The effectiveness of reforms in law enforcement is confirmed by a three-fold increase in our country’s indicators in the indicators of organised crime and reliability of law enforcement agencies of the Global Competitiveness Index of the World Economic Forum (WEF).

Moreover, Kazakhstan has consistently pursued a policy of liberalisation and humanisation of criminal penalties. Today, the emphasis in the penal system is shifted to probation. As a result, the share of non-custodial sentences amounted to 73 percent (22,627). The number of institutions of the penitentiary system is decreasing. This in total allowed reducing the prison population by three times. While in 1996 we occupied third place in the world in terms of the prison population (94,000 inmates), conceding only to Russia and the United States, today we are already at 68th (35,000 inmates).

Based on the implemented reforms, what are the significant steps Kazakhstan is undertaking to reduce corruption?

Following the implementation of a new anti-corruption policy based on the Kazakhstan 2050 Strategy, the Plan of the Nation “100 Concrete Steps” and the Anti-Corruption Strategy, our country has taken significant steps to reduce corruption. This work is based on a rational combination of anti-corruption education and prevention measures, with penal sanctions being the last resort. Preventive measures such as creating an anti-corruption culture, analysis of corruption risks, anti-corruption monitoring and standards have been set out in the legislation. These comprehensive and complex measures resulted in:

- reduced administrative barriers and corruption risks;
- increased quality of public services (due to the introduction of standards and regulations for their provision); and
- increased legal awareness and anti-corruption culture of the population.

We pay great attention to anti-corruption education and awareness-building. Honest Generation (Adal Urpak) voluntary clubs were created in almost every school (more than 90 percent). With the support of the OSCE, the Foundations of Anticorruption Culture textbook has been developed and is used now in all universities of the country for teaching the corresponding subject.

Mobile anti-corruption groups on specially-branded buses have begun their work. All of them are united by a single goal – to reach

every citizen and to develop a stable immunity from and a general rejection of corruption. As a result, there is an increase in the population’s activity in fighting against corruption. In order to encourage those who are willing to inform, material incentives are being widely used – 167 people were given awards totalling to 21.5 million tenge (US\$62,679) in 2016, which is 14 times more than in 2015.

The state does not intend to loosen institutes of criminal prosecution of corruption crimes. Officials convicted of corruption, regardless of their positions and ranks, are prosecuted with all the severity of the law. According to official data, more than 10,000 people have been convicted of corruption crimes since 2001. Among them there are two former prime ministers, seven ministers and chairpersons of agencies, seven akims (governors) of regions and their deputies, eight heads of national companies and eight generals of the national security, defence and law enforcement agencies.

Shifting the emphasis from punitive to preventive measures received a positive evaluation from international rating agencies. According to the results of the Global Corruption Barometer study by Transparency International, over the past three years the proportion of citizens in Kazakhstan observing progress in countering corruption has doubled. The number of people giving bribes decreased by one third. Similar results are demonstrated by the Global Competitiveness Index according to the Informal Payments and Bribes criterion, which has improved by 38 positions over the last five years (2011 – 99th, 2016 – 61st).

In general, all anti-corruption work is based on close cooperation with OECD in the framework of the Istanbul Action Plan. It laid the groundwork for adoption of the Anti-Corruption Strategy, introduction of external monitoring and evaluation of its implementation and adoption of more than 60 laws aimed at minimising corruption. Currently, government authorities have resumed the work on introducing criminal liability of legal entities and criminalisation of promising and offering bribes, as well as a number of other recommendations.

These international standards received the conceptual support of the intergovernmental working group on improvement of criminal law and we are now developing mechanisms for their implementation. OECD recommendations direct us to further improve our national anti-corruption legislation. We have done a lot, but there is still work to do.

Government takes comprehensive approach to fighting corruption

By Bergen Beshpalinov

Most Kazakh citizens don’t litter because they know it’s wrong. The same is true for an individual as he or she considers trying to bribe an official. They don’t do it not only because of fear of punishment and public censure but because they know it is wrong.

Fighting corruption with both enforcement and the public’s inherent sense that it is wrong is something all nations strive to achieve and is characteristic of the Anti-Corruption Strategy of Kazakhstan, adopted in 2014.

Kazakh President Nursultan Nazarbayev represented the importance of such an integrated approach in his state-of-the-nation address, “The Third Modernization of Kazakhstan: Global Competitiveness.”

“We have taken significant steps to reduce the level of corruption in the country. At the same time, the focus is on combating the consequences of corruption. It is necessary to strengthen the work to identify and eliminate the causes and prerequisites of corruption,” he said.



Bergen Beshpalinov

Kazakhstan is able to point to successes in eradicating the causes and conditions that generate corruption, creating a breakthrough in the public consciousness, creating an internal rejection of any of its manifestations.

Nevertheless, there are still officials who continue to commit official crimes, lobbying the interests of commercial organisations. As before, the spheres of increased corruption risk are the use of state property, expenditure of budget funds, public procurement procedures for construction, repair of social facilities and transport communications.

Corrupt manifestations in these, as well as in other spheres, damage the budget, can lead to disruption of the implementation of state and sectoral programmes. Most importantly, they reduce public confidence in the government, freeze and even exacerbate the unresolved social problems.

Current legislation provides severe penalties for officials found guilty of corruption and the system of their prompt detection is being improved. But demand creates supply and this axiom of market relations is applicable to any sphere of human life.

Entrepreneurs who are looking for workarounds for getting a state order, winning a tender, should be well aware that officials who agreed to “help” for a certain reward render them a disservice. It is not only because the risk of disclosure and cancellation of contracts concluded in violation of the law increases every day. But also because by trying to take immediate advantage, entrepreneurs risk their business reputation. Having chosen roundabout ways, they voluntarily deprive themselves of legal protection.

It is unlikely that they will dare to turn to law enforcement when they are in the difficult situation, such an illegal takeover. Not having learned to act within the framework of the law, they elementary do not survive in a competitive environment.

The violator of traffic rules trying to “negotiate” with the policeman who stopped him, should remember that another driver can do the same thing. Another driver who does not have a driver’s license and who drinks too much before getting behind the wheel can hurt anyone, including ourselves, our relatives and friends.

The whole system of anti-corruption legal education of citizens is meant to bring this causal connection to citizens. This is done through publications in the media, broadcasts on state television and radio channels, provision of free legal anti-corruption assistance, meetings and various public events.

An anti-corruption mobile group of our department together with representatives of the regional branch of the Nur Otan party, the branch of the NGO National

Movement Against Corruption Zahharu, the National Chamber Atameken holds meetings with work collectives and meets with the population of the region. The dialogue has helped inform the fight against corruption.

We are well aware that not only the process of counteracting corruption is important to our citi-

The spheres of increased corruption risk are the use of state property, expenditure of budget funds, public procurement procedures for construction, repair of social facilities and transport communications.

zens and society, the result is also important. In the whole system of public service, accountability, transparency of work, adherence to the principle of meritocracy in the appointment of civil servants, improvement of the quality of public services are being improved.

At the same time, our successes and our temporary unsuccessful failures fully confirm the correctness of President Nazarbayev’s

words: “Much of the fight against corruption will depend on the active participation of the whole society. With the development of social networks and other media resources, universal rejection must become a powerful tool in countering corruption.”

We can only cope with corruption when we realize that civilisa-

The author is head of the Department of the Agency of the Republic of Kazakhstan for Civil Service and Anti-Corruption Affairs in the Akmol region.

EURASIA&WORLD

WEDNESDAY, OCTOBER 4, 2017

Kazakh Senate Chairman, Uzbek President praise relations

By Almasbek Zhumadilov

ASTANA – Kazakh Senate Chairman Kassym-Jomart Tokayev and a parliamentary delegation met with Uzbek President Shavkat Mirziyoyev during a Sept. 25-27 official visit to Tashkent.

Tokayev praised bilateral relations and said parliamentarians from the two countries could work to implement initiatives presented by the two presidents at their meeting in early September, including management of Aral Sea



basin water resources. “The recent state visit of President of Kazakhstan Nursultan Nazarbayev, within the framework of which a large package of documents was signed, has brought bilateral relations to a qualitatively new level, giving impetus to the peoples of the two countries to reinvigorate the centuries-old ties of friendship and cooperation,” said Tokayev. He also said Kazakh-Uzbek cooperation contributes to regional and international stability and security.

Tokayev also thanked Uzbekistan for meeting the needs of ethnic Kazakhs living in Uzbekistan,

including 164 schools that teach in the Kazakh language.

Mirziyoyev said contacts between the countries’ parliaments strengthen bilateral ties.

While in Tashkent, Tokayev

tive Chamber of the Oliy Majlis Nurdinjon Ismoilov. Kazakh and Uzbek delegations discussed development of inter-parliamentary dialogue and cooperation in the field of lawmaking. They also

Tokayev: Kazakh-Uzbek cooperation contributes to regional and international stability and security.

also met with Head of the Senate of the Oliy Majlis (Parliament) of Uzbekistan Nigmatilla Yuldashev and Speaker of the Legisla-

agreed to intensify inter-parliamentary contacts within the framework of international organisations.

Panel cautiously optimistic on improving human rights in Uzbekistan

By Tom Michael

WASHINGTON, DC – A panel of scholars and journalists convened in Washington, D.C. in late September to voice cautious optimism that Uzbekistan’s President Shavkat Mirziyoyev – overwhelmingly elected to succeed the late autocratic ruler Islam Karimov in 2016 – can bring democratic and human rights reforms to the Central Asian nation.

Alisher Sidikov, head of RFE/RL Uzbekistan news agency joined in the discussion at the George Washington University Fletcher School of International Affairs via Skype, while Sean Roberts, a GWU professor, and Navbahor Imamova, a reporter with the Uzbek Service of Voice of America, participated in person.

When Karimov died in September 2016, Mirziyoyev, who had served as Karimov’s prime minister, quickly became the front-runner to succeed him as president. He was formally elected in December 2016, and has since initiated some reforms that have international observers hopeful the country can become a more transparent democracy. Upon assuming the presidency, Mirziyoyev said he expressed his intention to build “a democratic state and a just society” where “human interests come first.”

Indeed, he has released some

mocracy are legitimate and not just for show.

“The reason I think it’s worth taking this agenda at face value is there is really no record of Uzbekistan trying to fake liberal policies,” he said. “We have certainly seen that from other countries.”

But the professor said questions remain about Mirziyoyev’s ultimate intentions.

“Is the government trying to reform to a liberal democracy or to a more managed, softer authoritarian model we’d see in Russia?” Roberts said. “The latter certainly makes sense but still for that to happen that would be a revolution compared to what we have had.”

In August, Uzbekistan – a former Soviet republic – set more fully in motion plans to reform its currency, yet another step toward international credibility.

The government abolished mandatory sales by exporters of a quarter of their foreign currency revenue, after earlier allowing a limited number of banks and companies to deviate from the official exchange rate in deals. Next would be allowing full convertibility of the currency, aligning the official and market rates and lifting restrictions that force ordinary Uzbek to buy foreign currency from the black market rather than from banks.

“The currency reform will be critical,” Roberts said. “And we are only part way down that path.”

Imamova: “He knows that the hunger for change is obvious and he is determined to channel that energy to a direction he wants. He wants to move the country forward, but he wants to consolidate power and be the most powerful person in the country, too.”

political prisoners, begun to relax government control over Uzbek media and will abolish exit visas that prevented citizens from traveling abroad without permission from the state starting in 2019, according to Freedom House, a Washington-based human rights advocacy group.

Sidikov, who has covered Uzbekistan for more than a decade, said Mirziyoyev “already is in some ways better than his predecessor and in some ways showing some progressive kinds of moves.”

Roberts, an expert in Central Asia who is director of the International Studies Program at the GWU, said Mirziyoyev’s transition was “smooth” and aided by Uzbek government elites. But he also said significant changes could come from the new president’s leadership, which he suggested could, in essence, become a “revolution from above.”

He noted Mirziyoyev’s move to spur economic investment and judicial reform, among other initiatives, and said he’s willing – at least for now – to assume that the moves toward a more open de-

Navbahor Imamova, an Uzbek native and now a television reporter with the U.S. government-backed Voice of America, recently traveled to Uzbekistan for a second time since the December 2016 election. She said while she was unable to land an interview with the new president – and the government seemed somewhat suspicious of Voice of America generally – she was generally impressed with “an incredibly high morale” among the country’s citizens.

“Maybe we will finally have a leader who will let us run our own path,” Imamova said. “He knows that the hunger for change is obvious and he is determined to channel that energy to a direction he wants. He wants to move the country forward, but he wants to consolidate power and be the most powerful person in the country, too.”

She said while regular Uzbek citizens may want more democratic freedoms, the country’s elite may yearn for the status quo if change is too abrupt.

“He has a lot to do in terms of managing expectations,” Imamova said.

Regional IOM experts address Central Asian migrant vulnerabilities, violent extremism and integration needs

By Aigerim Bulambayeva

ASTANA – Representatives from the USAID analytical centre and International Organisation for Migration (IOM) met in the Kazakh capital Sept. 10 to address the problems faced by migrants in Central Asia. The main agenda item presented the results of a migrants’ vulnerability assessment, as well as the findings of counteraction to extreme radicalisation in the region.

This event, held in an interactive discussion format, was the fifth of its kind organised in cooperation with the Central Asian IOM office.

IOM conducted sociological surveys and field trips to identify regional migration trends and

common problems among individuals. The first part of the project draws on the assessment of their conditions; the second is related to the consequences of the ban on migrants re-entering Russia.

The ban has not only reduced the number of migrants, but has also altered migration trends and created new challenges in the region as well as establishing an additional group of vulnerable people. One of its main challenges is the criminalisation of labour migrants and the resulting issues.

“The main problem of illegal migration is the fact that when an individual keeps working there, s/he is prone to numerous risks. If migrants are not officially registered, then they do not have access to medical care, social care, etc.,”

said Marian Abisheva, international and national programme head at the Library of the First President.

The agenda also identified the assimilation issue, an ever-existing problem that became more compelling with the ban. Migrants not directly affected have experienced its latent effects, making them feel unwelcome and finding it hard to integrate.

“The characteristics of vulnerable migrant groups are the same as the characteristics found in radicalised people,” said IOM lead international expert Piotr Kazmierkiewicz.

“The research conducted by IOM showed that the vulnerability of migrants by violent extremist groups was identified as an area of possible concern in the Central Asian region,” noted USAID Cen-

tral Asia DGO Director Stephanie Garvey.

The two main shifts in migration trends are Kazakhstan’s change from the “intermediary point” to the “destination point” and an increase in the number of female migrants.

Traditionally, males are the breadwinners in Central Asian families. When the ban was issued, however, those who migrated to earn money before it was instituted were unable to re-enter the country. As a result, their wives left home for other countries to provide for their families. Often, their children accompanied them and became migrants as well. Kazmierkiewicz noted children and women are identified as the most vulnerable groups.

Astana and Moscow to jointly dispose of nuclear ammunition

By Frol Leandroer

ASTANA – Kazakhstan and the Russian Federation signed a co-operation agreement in scientific research and developing nuclear energy, reported Kazakh Ministry of Energy press service. The document was inked during the 61st session of the International Atomic Energy Agency (IAEA) general conference, held Sept. 18-22 in Vienna.

The parties also signed the protocol to the agreement between the governments on cooperation and mutual settlements in disposing of nuclear weapons. The protocol, dated Jan. 20, 1995, was approved by a Kazakh government resolution.

In addition, representatives of the European Community on Atomic Energy discussed the main areas of cooperation in the peaceful use of nuclear energy, particularly on nuclear safety, developing nuclear technologies and scientific and technical cooperation.

The general conference, involving delegations from IAEA mem-



ber nations, is the main annual forum regarding peaceful use of nuclear energy. The agenda involved global issues related to the non-proliferation of nuclear weapons, meeting future energy demands, ensuring nuclear safety, nuclear energy and technical coop-

eration, as well as other important agency issues.

Kazakh Minister of Energy Kanat Bozumbayev, who traditionally heads the country’s delegation, reported on the nation’s contribution to developing and strengthening co-

operation in the peaceful use of atomic energy. He also met with the U.S. Secretary of Energy Rick Perry and Ukrainian Minister of Energy and Coal Industry Igor Nasalik to exchange views on key issues in developing nuclear energy.

UN disarmament programme fellows visit Kazakhstan, meet officials

By Aigerim Seisembayeva

ASTANA – Participants in the 2017 United Nations Programme of Fellowship on Disarmament met with Deputy Foreign Minister Roman Vassilenko Sept. 20 during their three-day trip to Kazakhstan.

Diplomats from 27 UN member states were received at the Foreign Ministry, where Vassilenko briefed them on the nation’s efforts to build a nuclear-weapons-free world. He stressed the impor-

tance of the recent launch of the first low enriched uranium bank in the county under the auspices of the International Atomic Energy Agency. The bank is meant to promote peaceful atomic energy development and strengthen the nuclear non-proliferation regime. Vassilenko also outlined Kazakhstan’s priorities in the UN Security Council, which were announced in President Nursultan Nazarbayev’s Jan. 10 policy address to its members.

The fellows were interested in

the ATOM Project, an effort initiated by the Kazakh head of state in 2012 that seeks to raise public awareness of the threats and consequences of nuclear weapons tests. Vassilenko urged them to sign the ATOM Project’s online petition to world leaders to stop nuclear weapons testing forever.

The UN programme was launched by the General Assembly at its first session devoted to disarmament in 1978. The endeavour aims to ensure the training and specialisation of member states’

national officials for their subsequent effective participation in international nuclear disarmament discussion and negotiation fora.

The fellowship programme also included a visit to Kurchatov, the former Semipalatinsk nuclear test site and the National Nuclear Centre facilities. During the trip to Semey, the diplomat became acquainted with the State Medical University Museum exhibits and visited the Stronger than Death monument on Polkovnichy Island.

PEOPLE

Khorgos saves money, unites people from Kazakhstan and China

B2

CULTURE

Almaty author creates stories with incredible pictures, encourages children to love reading

B3

SPORTS

Astana Pro Team's Alexei Lutsenko wins Tour of Almaty 2017

B7

Astana economy grows, EXPO 2017 investments expected to drive new trade



By Zhanna Shayakhmetova

ASTANA – Nine projects worth 13 billion tenge (US\$38 million) will have been launched in the industrial zone in Kazakhstan’s capital by the end of the year, Astana Akim (Mayor) Asset Iskeshev said at a Sept. 20 maslikhat (city administration) meeting. Three of these projects have already been implemented.

“The key indicators showed positive dynamics since the beginning of the year due to the implementation of state programmes on industrialisation, construction, small and medium-sized businesses development. EXPO 2017 was also an important growth factor. Industrial production grew by 7.5 percent [336.6 billion tenge or US\$991 million] mainly due to

machine building, metallurgy and industrialisation map projects,” Iskeshev noted.

Twenty-four enterprises are included in the industrialisation map programme. The growth totalled 505.1 billion tenge (US\$1.4 billion), taking into account the increase in investments in fixed assets.

The Business Road Map 2020 increased the activity of the local business people. Overall, 110 Business Road Map projects have been approved for a total of 14.7 billion tenge (US\$43 million) from the beginning of the year. As a result, more than 8,000 jobs were saved and about 5,300 new jobs were created.

The dynamic development of entrepreneurship is also drawing more tax revenues from small and medium-sized businesses to the budget.

The attraction of foreign and private investment is now a focus. Sixty projects worth a total of US\$3 billion will be launched and 26 of them have already been implemented with the participation of foreign investors and transnational corporations from Europe, Japan, the U.S. and Turkey. The projects mainly deal with traditional sectors as well as education, health care and information technology.

“We have studied the experience of many cities. For example, Beijing has focused on industry. Many plants were constructed and now the city suffers from environmental problems and water resource [shortages] and is forced to transfer its production. Therefore, we focus on productive services and modern production in our strategy. Our

economic model is close to the model of Singapore and Dubai as global cities and the centres of their macroregions – Dubai for the Middle East and Singapore for Southeast Asia. Astana can become a global city of the Eurasian macroregion taking into account the organisation of EXPO and the readiness of the entire infrastructure, including the airport, the railway station and hotels,” he said.

Ten sectors expected to be able to maximally contribute to economic growth and the development of entrepreneurship were identified. It is planned to create 50,000 jobs by 2020, among them high-quality jobs like engineer positions at industrial enterprises, IT specialists, doctors and teachers. This year, 18,000 jobs will be created.

Country’s cultural centre celebrates birthday with AlmaFest-2017

By Aigerim Bulambayeva

ALMATY – The annual festival AlmaFest, which attracts approximately 200,000 people annually, took place Sept. 17 in Almaty. The festival was part of Almaty Day, the city’s birthday celebra-

tion, and included an award for honorary Almaty citizen.

Almaty Akim (Mayor) Bauyrzhan Baibek told the gathering that Almaty is a cultural, scientific, educational, athletic, financial and business centre of the country. This is what makes the megalopolis a place attrac-

tive for living, working and leisure.

“Under the ‘City for people’ principle, we are trying to transform Almaty into one of the best megalopolises of the world, into a developed tourist centre. To make this happen, after a wide public discussion, the implementation

of the programme of Almaty’s development until 2020 started. By implementing the programme step-by-step, we began to form comfortable public spaces. Thus, the reconstruction, prioritising pedestrians, was carried out on the eight most popular streets. I thank our citizens for their patience and understanding of the temporary inconveniences,” said Baibek.

The mayor noted that a comfortable city environment is also about the quality, transparency and the efficiency of the services delivered to residents. Therefore, a public reception room Open Almaty, which combines all city services, was launched. The AOC (Apartment Owners’ Cooperatives) website functions already and Open Budget project for sharing reliable information on the government’s expenses is in process.

Nurtai Abykayev, a Kazakh politician, diplomat, doctor of economic sciences, president of the Volleyball Federation of the country, Shangerei Zhanibekov, former Deputy Chairman of the Council of Ministers of the Kazakh SSR, and Col. Leonid Girsh (Ret.), a participant of the Stalin-grad battle, poet, chairman of the Almaty Council of the Society for the Nature Preservation, were awarded with Honorary Almaty Citizen titles.



Photo credit: khabar.kz

French artist incorporates renewable energy concept into Nur Alem sculptures

By Zhazira Dyussebekova

ASTANA – Contemporary French artist Mickael Obrenovitch created five amazing sculptures for the giant Nur Alem sphere at EXPO 2017. Many visitors saw the works, but few know the ideas and processes behind them.

“My goal was to create accessible and attractive artwork that can talk to anyone simply with a relative abstract concept. At the expo, each floor had a different theme and each sculpture had to represent the theme. I designed each sculpture based on one word (solar energy, cosmos and others) that

would talk and touch the public to understand the cause and defend it for the future generation,” said Obrenovitch in an interview with The Astana Times.

Sunshine Power “symbolises the sun and the solar power it produces, like a fission of molecules from the centre which releases energy,” he noted.

Infinity Energy, the large-scale infinity symbol, represents the unlimited potential of renewable energy and natural sources that can still be found on Earth and the universe. It is also his personal favourite for “the beauty of the shape, the size and meaning of this beautiful result,” he said.

Continued on Page B3

Schoolchildren to learn about maintaining healthy lifestyle

Staff Report

ASTANA – Kazakhstan plans to launch Foodprint, a national programme which aims to promote healthy lifestyle among schoolchildren.

“This project envisages the education of schoolchildren starting from the junior classes to determine the calorie content of food, the purity of air and water and the amount of consumed oxygen. The project will help Kazakh schoolchildren understand that healthy food is the basis for good health and is the way to get rid of various ailments and excess weight, as well as for disease prevention, life extension and ecological culture, including understanding the need to save natural resources. Also, it will increase cognitive interest in science and scientific research work,” said Ministry of Education and Science science committee chairperson Bolatbek Abdrasilov.

According to the Academy of Nutrition, 22 percent of children under age 14, or one out of five, are overweight or obese. Among adults, the number is even higher – 55 percent of men and women are overweight.

Experts say young people consume a number of products and drinks that undermine health. Every third schoolchild prefers to spend pocket money on fast food, every third child has sweet fizzy drinks more than once a week and every tenth child consumes energy drinks.

Obesity has taken the form of a world-wide epidemic, according to the World Health Organisation (WHO). Worldwide obesity has more than doubled since 1980. Data shows 39 percent of adults aged 18 and over were overweight in 2014 and 13 percent were obese. Conversely, approximately 60 percent of all deaths result from diseases caused by malnutrition.

“The fundamental cause of obesity and overweight is an energy imbalance between calories consumed and calories expended. Globally, there has been an increased intake of energy-dense foods that are high in fat and an increase in physical inactivity due to the increasingly sedentary nature of many forms of work, changing modes of transportation and increasing urbanisation,” noted the WHO website.

THINGS TO WATCH & PLACES TO GO

FIRST PRESIDENT LIBRARY

September 22 – Steppe Melody, Arts and Crafts, Exhibition
October 22

ASTANA OPERA

October 7 at 6 p.m. Tchaikovsky Music Evening, concert
October 11 at 7 p.m. Russian Romance, concert
October 15 at 6 p.m. From Baroque to Rock, concert

ASTANA ARENA

October 8 at 10 p.m. Kazakhstan – Armenia, World Cup 2018 Qualifiers

BARYS ARENA

October 8 at 3.30 p.m. PBC Astana – PBC CSKA
October 14 at 5 p.m. HC Barys - HC Kunlun Red Star

WEDNESDAY, OCTOBER 4, 2017

Khorgos saves money, unites people from Kazakhstan and China



By Yerbolat Uatkhanov

ASTANA – Khorgos, a visa free and duty-free zone, was established as a unique project by the Kazakh and Chinese governments. Located on the border, the countries plan to turn it into a huge centre of business cooperation with a well-developed infrastructure for business, trade, sports and entertainment and an opportunity to get to know the culture of both nations. The zone offers Kazakh and Chinese citizens the chance to make good buys and approach one another.

Khorgos has five big shopping centres open to anyone with a foreign travel passport from

any of the Commonwealth of Independent States (CIS). It is very popular among residents from Almaty and China's Xinjiang Uygur Autonomous Region (XUAR).

Aigul Sembinova, a 40-year-old mother who visits Khorgos every year, talked about her excursions in an interview with The Astana Times.

“It is better to go to Khorgos on a workday, because twice as many people visit it on the week-ends. According to the rules of the zone, each person is allowed to carry hand luggage in the size of 60x40x20 centimetres. Also, there are some limitations on the number of things. People cross the Kazakhstan-China border by

bus and nobody needs to leave the bus crossing the border. The bus stops, the border guard checks passports and that's it,” she said.

“I have four children and it makes sense to purchase bed clothing, clothes and toys at Khorgos. It is incredible, but sometimes you can buy some goods 10 times cheaper than in an Almaty or Astana shop. Also, you always can knock down the original price by more than 40 percent,” she added.

Kazakh citizens prefer to buy textiles, clothes, outdoor clothing (with fur coats being very popular), toys, vehicle spare parts and tires, electronics, footwear, natural skin wallets and

handbags. Chinese citizens enjoy purchasing candies, biscuits, pasta, refreshments and cigarettes made in Kazakhstan.

Travelling round trip by bus from Almaty to Khorgos costs 6,500-7,000 tenge (US\$19-\$21) per person. An additional 1,000 tenge (US\$3) is needed for the bus inside the zone. Travelling round trip by train costs 2,750-4,200 tenge (US\$8-\$12) per person, plus 1,000 tenge (US\$3) for the taxi to get to the border and the bus fee inside the zone. Many Almaty residents prefer to travel by car. The five-hour trip is along a good highway and parking is only 300 tenge per day (US\$1).

THE ATOM PROJECT

SIGN ON FOR A
NUCLEAR WEAPONS
FREE WORLD.

LEARN MORE
TheATOMProject.org

WEDNESDAY, OCTOBER 4, 2017

French artist incorporates renewable energy concept into Nur Alem sculptures



Continued from Page B1

“Infinity is the word that defines my life line and spirit and you can find it in all my collec-

Obrenovitch: “I was very happy they decided to turn it into an expo heritage museum. It’s a brilliant idea, as it is still able to create awareness to the next generation about future energy. I hope the expo will be a turn and milestone to bring Kazakhstan to the hub of renewable energy and innovative sustainable development purposes,” he said.

tions as well,” he added.

Solar Wall seeks to show the importance of solar energy for the future as inspired by nature. It is an evolution to protect and live in symbiosis with the environment, noted Obrenovitch.

The Kinetic Vortex art installation is a metaphor of the cosmos.

“It appears to be a tunnel, but depending on your position it can have a vortex effect,” he said.

Newton’s Cradle, a reference to perpetual motion, shows guests how kinetic energy works and the way human action or movement can cause a chain reaction in the environment.

All the works are made of

stainless steel. The materials were chosen based on quality, durability and in conjunction with the splendid architecture of the capital, he said.

The design took about a month, followed by five months of production and installation.

“I’m very lucky and grateful for the professional work by the Kazakh factories. It could not have happened without them for sure. Solar Wall was made in Pavlodar and the others in Almaty. I’m grateful for the work they accomplished and passion they put into it. Each sculpture may look minimalist, but it’s a very technical challenge to design it. Infinity and Solar Wall were particularly complicated to make and I was very impressed by the skill used to find a solution with ingenuity. Transport and installation was another story, but with a happy

ending, of course,” said Obrenovitch.

The sphere will remain as a museum, meaning these and many other works of art will be available for future display.

“I was very happy they decided to turn it into an expo heritage museum. It’s a brilliant idea, as it is still able to create awareness to the next generation about future energy. I hope the expo will be a turn and milestone to bring Kazakhstan to the hub of renewable energy and innovative sustainable development purposes,” he added.

The artist was born in Carque-

iranne, a seaside town on the French Riviera.

“My passion for art and history was passed on to me as a child from my relatives, who would take me to see exhibitions. I decided to study applied art and design at a university. From there, I turned my passion into a career and am now a full-time artist. As I like to say – there are no limits to creativity, only the ones you impose on yourself,” he said.

Obrenovitch began work last year on the international art project Gates of the World and presented the Gate of Kazakhstan portion to different institutes in

the country. The expo curator so appreciated the work he asked the artist to create designs tailored to the exhibition’s future energy theme.

The event became a wonderful chance to make his inaugural visit to the nation.

“I like Kazakhstan a lot and travelled throughout the country experiencing firsthand its culture and people as well as learning about its fascinating history. It’s a point in the world where all neighbouring cultures harmoniously mix in one country. Nature is beautiful and wild and I was particularly impressed

by the infinite steppe landscape on the road to Burabai,” said Obrenovitch, adding he was also enthralled by the architecture, culture and lifestyle in Almaty and the capital, nature in Burabai, authenticity of the Pavlodar people and the city itself.

“I’d say to expect the unexpected and I look forward to discovering more of what it has to offer there soon,” he said.

His personal digital art collection exhibition recently completed a showing at the Ritz Carlton Almaty and he is seeking a venue for another collection in production.

“I was contacted by various Kazakh institutes to create an original sculpture which should start in March 2018. I would like to achieve what I originally planned to come here for in the first place, which is the Gate of Kazakhstan. I would love to present it directly to the Ministry of Culture and [President] Nursultan Nazarbayev, whom I didn’t have the chance to meet during the expo,” he said.

“In terms of international projects, I am working on several collections, including gates for all countries in the world, and I am preparing a proposal for the universal expo in Dubai 2020. My best project is yet to come,” said Obrenovitch.

More information is available at the artist’s website, www.obrenovitch.com, and Instagram account, @obrenovitch.



Mickael Obrenovitch

Almaty author creates stories with incredible pictures, encourages children to love reading

By Zhanna Shayakhmetova

ASTANA — Almaty-based writer and illustrator Antonina Shipulina’s journey to becoming a children’s author started with motherhood. The fascinating stories immediately captured youngsters’ attention when her first story, “Volshebnye Zheludi” (“The Magic Acorns”), that was published in 2011. She has subsequently produced four additional volumes with a total circulation of 17,000 copies.

“I wrote the first book when I became a mother. All our family members are fond of books. Even in this digital era, it’s a great pleasure for me to buy a paper book, especially children’s books with stunning illustrations. I believe that both text and illustration should be of high quality in children’s books,” said Shipulina in an interview for this story.

A reporter by trade, Shipulina has extensive experience in working for popular newspapers such as Kazakhstan’s Express-K and



Antonina Shipulina

Komsomolskaya Pravda. When she changed from non-fiction to fiction, she sent her initial work to nearly 30 publishers and Astrel-SPb, the Russian publishing house, agreed to a contract.

“My grandfather is an artist and I painted from childhood, too. When the publishing house approved my first book, I was looking for an artist who would be inspired by the novel and could picture all my characters, as there

are many unusual creatures. In addition, there was a need to perform a large amount of work in a short time. I decided to do it myself. Editor Natalya Tyuleneva liked my sketches and convinced the editor-in-chief that I could be an illustrator, too,” she noted.

Her latest book “Zefirniy Zhora” (“A Boy who Loves Sweets”) was presented Sept. 10 in Moscow. It tells the story of a boy who is mocked because of his extra weight.

“This story does not recommend what to do in such situations. This is the story of the struggle with oneself, with the circumstances that the main character faces. Zhora [the main character] does not accept himself and is not comfortable with himself. He must have the inner strength to fight some external things in his world,” she said. Zhora is both a diminutive of George or Georgiy, and a mock and shorter version of “obzhora” – and obsessive eater.

“Shrews and Solenodons” reached the finals of the Krapivin International Children’s Litera-

ture Award. Shipulina creates imaginary worlds with heroes and writes stories about their travels.

“Some of my characters don’t have prototypes and some of them do. I do not think this is significant. The main thing is for the reader to believe in what is happening in the book,” she explained.

“I also have fairy tales with pictures for small children aged four-five, but they have not been published. I didn’t rely on inspiration. If there’s a lot of interesting thoughts and ideas for a new story in the notebook, I just have to start working. I do not know if I succeeded in it, but I try to make my stories timeless. I want them to be exciting and interesting after a while,” she said.

Nearly all her books are offered in both paper and electronic form. The author prefers the tactile version, however, and believes children’s books printed on paper will remain for a long time.

“These books need good design, high quality paper and beautiful illustrations. Although now

there are a variety of interactive, electronic and animated books, the printed books are still popular. At the same time, adults now prefer electronic books. Illustra-

tions are not as important as the ease of use. I know that people do not stop buying books; they buy them online and in bookshops,” she said.



KazHydroMet tests automatic air quality monitoring sensor

By Ainur Kuramysova



Photo credit: Adilbek Tunkelov

ASTANA – Kazhydromet experts have started testing a Finnish ambient air pollution sensor they plan to adapt to the climatic conditions of Kazakhstan. “The Vaisala sensor was installed July 11 on the automatic air quality control sensor to adapt and compare data with Russian-made instruments currently used to monitor air quality in Astana,” Kazhydromet laboratory head Dana Amanbayeva said. The equipment made in Finland was presented at EXPO 2017. The sensor measures concentrations of six pollutants: nitrogen dioxide, carbon monoxide, sulphur dioxide, ozone,

PM-2.5 and PM-10 suspended particles. “The small-sized sensors can be easily installed anywhere in the city; for example, on a pole, wall or roof of a building. A separate land plot is not needed for this. The sensor is very accurate, with an error rate of 1 to 3 percent. It also has a low power consumption, since the sensor’s power is supplied mainly by solar panels,” she noted. At the same time, the sensor has some drawbacks, which were revealed during the testing. “In the current configuration, the sensor does not have sensors for determining levels of hydrogen sulphide and nitrogen oxide, which are important components for controlling atmospheric air quality in large cities. But the company plans to complete the development of these sensors before the end of this year,” she said. Kazhydromet will reveal the monitoring results in the near future. “This programme shows how we get data, choose our component and observe the current situation. Data is received every five minutes. The data programme will be finalised by the supplier and the data will be received every 20 minutes,” said Kazhydromet senior engineer Saltanat Basembekova. Another new device also captures meteorological changes. That data is used to create weather bulletins and forecasts.

Uzbekistan reduces excise tax on cars imported from Kazakhstan

Staff Report

ASTANA – The excise tax rate for the cars produced and imported from Kazakhstan to Uzbekistan excluding vehicles used for medical purposes will be reduced to 2 percent of the customs value from Oct. 1. A Sept. 29 tariff policy decision adopted by Uzbek President Shavkat Mirziyoyev revises the rates of import customs duties and tax on excisable goods imported into the country. Before that this excise rate was provided only for cars manufactured and imported from Russia and Ukraine. Earlier, the KazAvtoProm, the Kazakh Car Industry Union, released Sept. 25 an open letter to Minister of National Economy Timur Suleimenov expressing concern about access of their products to the Uzbek market. “The draft resolution of the Uzbek President ‘On measures for streamlining of foreign economic activity of Uzbekistan’ adopted Sept. 19 raises concerns about the prospects for Kazakh products’ access to the Uzbek market. The document includes the prohibitive excise tax on automotive equipment from Kazakhstan in the amount of \$2.40 per cubic centimetre. At the same time in terms of car import, cars from Russia and Ukraine, a symbolic excise rate of 2 percent of the customs value is provided. In other words, the Uzbek market will remain closed for Kazakhstan automakers and their products will be under price discrimination,” read the letter. The correspondence added “the



unequal position of Kazakhstan and Uzbekistan in the supply of automotive equipment has been preserved for almost a decade and a half.” Since 1996, the Uzbek automobile industry has exported more than 85,000 cars valued at \$720 million to the Kazakh market. The products are not subject to customs duties and excises when crossing the border into Kazakhstan. The Kazakh automotive equipment industry is unable to supply the Uzbek market, however, as access is blocked by strict customs tariffs barriers. “This situation cannot be characterised as the relations of equal

foreign trade partners. It’s time to move from a zero-sum game to a dialogue based on respect for mutual interests and the negotiations held as part of the recent interstate forum created the necessary prerequisites for such changes,” according to the letter. The union asked the ministry to find negotiating opportunities for revising the Uzbek tariff policy in relation to Kazakh car industry products and assist in organising its access to the Uzbek market in accordance with the principles of free competition. KazAvtoProm seeks to consider “the possibility of introducing

symmetric measures of market protection of the Kazakhstan automobile market in terms of excise duty – both for cars and car equipment supplied by Uzbek enterprises to the local market,” noted the correspondence, in case the negotiation process does not lead to the expected result. The National Industrial Exhibition displaying cars manufactured by Kazakh enterprises was held in Tashkent in mid-September. Kazakhstan announced plans to supply automotive equipment to the Uzbek market at the Uzbek-Kazakh business forum as part of this event.

IT Quarter launches in Almaty



Photo credit: kursiv.kz

By Zhazira Dyusseembekova

ASTANA – An IT Quarter for the development of information technologies has been launched in the centre of Almaty. The 17,000-square-metre facility will become the new home of 10 IT companies and 15 start-ups by the end of the year. “By opening the IT quarter, we are creating soft infrastructure in the city that will give IT companies the opportunity to consolidate and achieve a synergetic effect,” said Almaty Tech Garden CEO Sanzhar Kettebekov, according to inform.kz. “We are happy to provide a platform for

developers, innovators, creative people whose economic function is to create new ideas, new technologies and new creative content. At the same time, at the Park of Innovative Technologies Special Economic Zone we are developing an ecosystem aimed at the innovative development of heavy industry: machine building, new materials, geological exploration.” In 2018, IT Quarter plans to attract up to 20 tech companies and 50 start-ups. Residents of IT Quarter will have access to modern technology platforms of companies such as IBM, ARM, Autodesk, 1C and other specialised businesses. In

addition, the quarter is suitable for the extraterritoriality of the Park of Innovative Technologies, so they will also get tax benefits and preferences, including exemptions from social tax, land tax and property tax. At the moment 45 companies in the special economic zone are potential participants of the IT Quarter. As the quarter develops, the construction of a separate campus will be considered, a project that would be undertaken with the International Information Technology University. The initiative to create the IT Quarter is being implemented by the Autonomous Cluster Fund Park of Innovative Technologies, which

operates under the brand of Almaty Tech Garden. The programmes are supported by the Kazakh government in order to promote the development of the IT industry and the effective implementation of the digital transformation of Kazakhstan. Private money is sought as co-investments. According to Kettebekov, step by step, Competence Centres are being formed in areas such as Industry 4.0, New Materials and Mechanical Engineering. “Also, the possibility of creating a geological cluster in the special economic zone is being explored, and work is underway to attract large subsoil users as investors,” he added.

Wood wool cement factory opens in Kazakhstan

Staff Report

KOKSHETAU – A factory to produce Albolite, also known as wood wool cement, has launched operations in Kazakhstan. “Yernazarov and Co LTD produces albolite bricks. Albolite is a unique construction material, which consists of processed wood chips bonded with M500 cement and which contains mineralisers,” according to the company. Albolite is known to have high thermal insulation, thus it is not a combustible material, and conse-

quently it does not dry out or rot. Depending on the thickness of a brick, it is possible to build two and three-storey residential constructions, as well as industrial, agricultural, warehouse buildings with relative air humidity in premises of no more than 75 percent. The plant currently produces 15 cubic meters in an eight-hour shift, which does not meet the growing demand for wood wool concrete. The company also plans to build an albolite bricks producing plant with a capacity of 12,000 cubic meters per year in Astana.



DISCOVER KAZAKHSTAN WITH A NEW APP

Google play

A unique digital product – “Kazakhstan – Land of the Great Steppe” – is one-of-a-kind high quality interactive application, presenting multimedia on the most representative geographic, political, touristic, historical, economic facts about Kazakhstan. It contains hundreds of high quality unique photographs, videos, 3D objects, panoramic tours, interactive charts, and innovative maps. It should be of interest to anyone who wants to learn about the world's ninth largest country, including tourists, students, and business people. Available in English, Russian, and Kazakh.

Mobile device versions are available in AppStore and PlayMarket. Also available in Windows and as a web version.

You can run an application webpage by following the link: <http://bit.ly/28PkZza>

Alphabet change is important part of a larger modernisation process, says expert

Continued from Page A1

“I think you have to differentiate between two things: one is if you stay with your historical tradition and the other is if you decide to change. The Arabic world uses an alphabet that goes back approximately 1,500 years. China is using an alphabet that has developed over thousands of years. If you decide to stay with an alphabet, that is a statement saying there is a 1,000-year tradition or an 800-year tradition you are staying with. It is the way Russia sees Cyrillic as a part of their national heritage,” he said.

Turkey’s abandoning Ottoman script for the Latin one is an example of making a statement by changing the alphabet.

“Ataturk decided Turkey needs to separate itself from the Kalifate, the Middle East, the Arab world and embrace Europe, embrace a secular vision of Turkey which will be closer to Europe, European laws, languages, etc. That was a political statement,” he noted.

Schamiloglu considers those who made the decision to change



Uli Schamiloglu

the alphabet were the revolutionaries of their time.

“It is difficult to change and it is easy to remain,” he added.

Schamiloglu described Modernisation 3.0, the larger project that incorporates alphabet change, as “a healthy development” that allows the country to have new buildings and modern establishments, but also enables a country to preserve its soul.

“The President of Kazakhstan has a vision for the future as he is talking about strengthening the language. He wants people to be more knowledgeable about their

history. I think he sees this change as strengthening the language as well as joining the larger community,” he said.

One of the serious arguments for changing the alphabet is pronouncing Kazakh words according to Russian rules, which the new alphabet has the potential to eliminate. Schamiloglu suggests if people were taught Kazakh with a distinct alphabet, it probably would be easier for them to separate the two, although the results would not be visible immediately.

“I am thinking about this not in terms of one year; we have to think about this in terms of the next generations,” he added.

Schamiloglu also addressed undermining bilingualism, a common concern among people who have a negative attitude towards the alphabet switch. Today, the vast majority of Kazakhs living in Kazakhstan are bilingual, with a good command of both oral and written Russian and Kazakh. The fear Kazakhs will not be as fluent in Russian as they currently are is widespread, although he thinks this is unsubstantiated.

“The space of use of Russian language is declining, but that is more about the North Caucasus region. I cannot imagine Kazakhs abandoning Russian. I am not concerned that Kazakh society will forget the Russian language, not in the near future,” he said.

Schamiloglu suggested adopting the Latin alphabet in popularising Kazakh, both in the nation and abroad, would lower the cost of learning the language.

“For me personally, hieroglyphs were barriers in learning Chinese. Similarly, for most people, the Cyrillic alphabet could be a barrier in learning Kazakh. For scholars of languages, it would not be a problem, but for ordinary people it might be. In the U.S., we had many students studying Turkish because of the Latin alphabet,” he said.

He also expressed his concerns regarding the technical part of the alphabet, which are common among citizens. In the age of technology, convenience in terms of keyboards should not be an argument against diacritical signs and in favour of diagraphs.

“Some of the digraphs are more

common in world languages and easily recognised like ‘ch’ or ‘sh,’ but diagraphs indicating vowels are not. One thing I would say is that if a country wants others to understand its language and alphabet better, it should choose the ways of writing sounds that would be recognisable to them. In the past, the language was tied to the keyboard, but now there are so many variations of keyboards,” he added.

Schamiloglu also spoke to the need to draft a new Latin-based alphabet and not to return to previous ones, like yangelif. It is a bit archaic, using several uncommon sounds, and has an associated fear of pan-Turkism and pan-Islamism.

He addressed the hypothetical question of whether a referendum on alphabet change could have eliminated the negativity surrounding this topic, as historically alphabets were always imposed.

“Alphabet change is a revolutionary change that requires a strong revolutionary leader. For Turkey, it definitely was a revolutionary change. For Kazakhstan it would be less so, as more people know the Latin script now

compared to Turkey in 1926, but it is still a revolutionary move. I cannot think of any example of a country that changed its alphabet democratically. I cannot think of an example right now. Maybe it does not happen. Generally, alphabet change does not happen often as well,” he said.

“The reason Kazakhstan is the way it is today is because you had a visionary leader who saw how his country can develop – be it [in relation to] nuclear non-proliferation, be it in terms of aspiration to be seen as a multinational and multi-confessional state, establishing a new capital, a new university like Nazarbayev University or thinking about various ways of modernisation,” he added.

One should not see an alphabet change as the only thing happening in Kazakhstan.

“It is easier to criticise this change, but this is consistently a part of the policy for improving Kazakhstan’s standing. It is a part of a larger package, which gives people a new capital, expo, peace talks in Astana, as well as other things,” said Schamiloglu.

Kazakhstan introduces unified rules of conduct in mosques

By Zhanna Shayakhmetova

ASTANA – Kazakhstan will create a pool of qualified imams whose activities will focus on targeted work with representatives of destructive currents, said Minister for Religious and Civil Society Affairs Nurlan Yermekbayev at a Sept. 18 government hour in the Parliament.

Minister for Religious Affairs and Civil Society Affairs Nurlan Yermekbayev. Photo credit din.gov.kz.

The ministry developed a state

the rituals is also under consideration,” he added.

The nation has more than 3,693 religious communities representing 18 denominations. Reports indicate 10 percent of Kazakh residents are atheists or agnostics, 75 percent are religious believers but do not fulfil all religious pillars and only 16 percent of believers fulfil all the pillars and practice regularly. Eighty-five percent of the population has expressed its dislike of destructive ideas.

“The largest numbers of adherents to destructive religious movements reside in the Atyrau,

The ministry developed a state religious policy concept for 2017-2020 which has been approved by a presidential decree. The aim of the document is to strengthen the country’s role in regulating policies in the religious sphere. The draft law is being discussed with the public and experts and will be presented at the Mazhilis in October.

religious policy concept for 2017-2020 which has been approved by a presidential decree. The aim of the document is to strengthen the country’s role in regulating policies in the religious sphere. The draft law is being discussed with the public and experts and will be presented at the Mazhilis in October.

“The measures have been taken to change the ways of their work as part of the cooperation of the Spiritual Board of Muslims of Kazakhstan. The work of the Imam corps is redirected from mass to targeted work with the public. We also carry out the explanatory work mainly among believers in religious buildings,” said Yermekbayev.

The unified rules of conduct in mosques developed and introduced by the Spiritual Administration of Muslims of Kazakhstan are based on the ministry’s recommendations.

“Recently, there have been a lot of complaints that the same rituals are conducted in different ways by the imams in the regions. Therefore, the issue of unifying some of

Mangistau, Aktope and the South Kazakhstan regions and Almaty,” said Yermekbayev.

The country’s religious level has increased, which provides more opportunities for the influence of radical ideology, he said. As a result, the ministry is forming a special group of scientists and religious scholars who will develop the basis of the Kazakh school of Islamic studies.

“The Hanafi madhhab is our traditional confession in Islam. The explanatory work is being held with the representatives of different destructive religious movements. This is their personal delusion and their own personal misconception of faith,” he said.

Kazakhstan has 306 special theological and information groups to increase citizens’ religious awareness and literacy and the ministry developed approximately 50 methodological recommendations and guidelines. More than 13,000 thematic events were held in collaboration with these groups involving more than one million people.

Country needs to establish local school of Islamic studies, says minister

By Assel Satubaldina

ASTANA – Kazakh Minister for Religions and Civil Society Affairs Nurlan Yermekbayev spoke about the need to establish a Kazakh school of Islamic studies during a Sept. 18 Mazhilis (lower house of Parliament) government hour.

The ministry was established in September 2016 and he noted increasing religiosity among those in the population who have become vulnerable to the influence of radical ideologies. The ministry in no way opposes faith as a source of spiritual and moral values but works to formulate government’s policies to preserve the secular nature of the state.

“As the head of state noted in the state-of-the-nation address, there is a need to develop a zero tolerance for any kind of radicalism in the society, especially in the sphere of religion,” said Yermekbayev.

“Over recent years, the rapidly increasing religiosity surpassed the development of an appropriate culture and critical perception of religious dogmas. As a result, some religious people prioritised the literal observance of religious practices over laws and secular values. This produces serious risks and conflicts both within families and within the nation,” he explained.

“Any kind of religious fanaticism poses a danger, as it is not solely about poor religious knowledge,” he added.

The ministry seeks to ensure citizens’ rights to freedom of conscience and create favourable conditions for the activities of registered religious associations, noted Yermekbayev.

To achieve its goal of building a dialogue between state and religion, he spoke about the need to establish the nation’s own school of Islamic studies.

“Naturally, the question arises of where to find a solution and how to reach a balance. We believe the solution is that Kazakhstan needs to develop its own model of inter-

action between state and religion, our own school of interpreting Islam without being concerned or fearful of potential foreign criticism,” he said.

The ministry is forming a special group consisting of experts and religious scholars who will develop the basis of the school.

“We believe the focus should be on spiritual, moral and ethical values, but also taking into account the national, cultural and historical peculiarities of our multi-ethnic country. [It will also include] a moderate and flexible attitude

towards outdated dogmas and its adaptation to current realities, perception of faith as a personal and intimate issue, promoting kindness and tolerance to people with different religious beliefs and respect and firm commitment to secular state principles,” said Yermekbayev.

External factors also have an adverse effect on the population, he added, including open information space and globalisation processes, where the internet, social networks and other communication tools allow for mass ideological influence.



Photo credit: din.gov.kz

Workers receive \$6.7 million in back pay after national labour inspections

Staff Report

ASTANA – As of Sept. 21, national labour inspectors revealed salary arrears to 20,000 employees worth more than 2.65 billion

tenge (US\$7.8 million) in 1,194 enterprises, according to the press service of the Kazakh Ministry of Labour and Social Protection of Population.

“As a result of taken measures, including the establishment of

rigid schedules and the repayment of wage arrears, the rights of more than 17,000 employees are protected, 2.28 billion tenge (US\$6.7 million) were repaid,” the report said.

The companies were fined in the amount of 145.1 million tenge (US\$426,800). Currently, work to identify violations in the arrears of wages continues.

According to the legislation, state labour inspectors control the observance of labour legislation, including the rights of workers for equal pay for equal work without any discrimination. They also identify the causes and circumstances that lead to violations

of labour protection laws through inspections of complaints and surveys, and participate in the development and adoption of measures to implement measures aimed at strengthening work to prevent violations. Inspectors analyse and summarise the causes of violations, regulations in the field of labour protection and safety measures and take measures to eliminate them.

Their main goals are ensuring state control over compliance with the labour legislation of Kazakhstan, as well as consideration of applications and complaints of employees and employers on labour and labour protection legislation.



WEDNESDAY, OCTOBER 4, 2017

Young entrepreneur combines guided hiking tours with culinary experience

By Zhanna Shayakhmetova

ASTANA – Quality service and customer satisfaction are essential in all fields, especially tourism management. In starting her own business, Ainaline.me, Zhansaya Menlibayeva is devoted to following these principles.

“The main idea of developing our project is to meet the needs of visitors and local residents with a pleasant holiday and a pleasant time,” she said in an interview for this story.

The Almaty-based company offers more than 230 trips around the city and Almaty region by providing experienced instructors and the essentials for camping and hiking.

“The idea existed since my teacher Kairat Omarov gave an interview about the project to the local radio seven years ago. Then I decided to start the business, as I had a great desire to develop domestic tourism. This project was perfect to make my dreams come true,” said Menlibayeva.

She launched the endeavour with the support of the Damu Fund and the Almaty akimat (city administration). The team currently has four members, two of whom are professional guides.

“We’ve won a grant providing support for young entrepreneurs. We developed the hiking routes across Almaty and the Almaty region in cooperation with our main



instructor Omarov. He has 25 years of experience as a mountain instructor and the certificates for the mountain trekking organisation. We widely promote our services through our website and in social networks,” she explained.

Menlibayeva graduated from Lithuanian University of Educational Sciences as part of the Eras-

mus programme. She also works as a teacher at the State College for Services and Technology.

In the first six months, 20 percent of the adventurers have been from France, Italy, Kyrgyzstan, Russia and Spain.

“The main advantage of our tours is the quality and individual approach to each client. The Almaty

region is in the main focus for us now. Our team participated in the My Kazakhstan expedition this summer, and we opened new unexplored places and held the first negotiations for joint work,” she said.

This year, the company started talks with a French travel agency to attract tourists from France to Kazakhstan.

“The lack of infrastructure and illegal tourism groups are the main difficulties we face during our work. Our country is unique and beautiful. There are many interesting places in each region and they are visited mostly in summer. There is a need to develop tourism and tourist sites all year round. We intend to organise tourism events

in the near future. We also have opportunities to develop mountain tourism, mountaineering and winter activities. I think that we need to start working on this idea,” she said.

The group tour package costs approximately US\$40 and individual trips start from US\$100.

“I cannot single out only one place; each time I discover something new in the same places,” said Menlibayeva about her favourite destinations. “I advise everyone to visit Yessik Lake, the Turgen waterfall, the Assy Plateau, Kolsai Lake, Kayindy Lake in the Almaty region on the weekend and Borovoe and Zerendy in Astana,” she added.

Preparing authentic Kazakh food is also a part of the adventure tour.

“We aim to contribute to the development of domestic tourism and to attract more tourists. Also, the participants of the trip are given an opportunity to make unique national dishes. For example, tourists can cook a Karyn Birtpe unique dish in Bakanas village after a safari tour. Tourists get accustomed to the preparation of national dishes during the tour at each stage. They can also see the Saksaul plant – the black Saksaul and the white Saksaul which grows only in these places,” she said.

Tours can be booked online at ainaline.me/ or by phone at +7 747 546 66 69.

Ancient Botay culture to be explored and displayed in Borovoe

By Frol Leandroer

ASTANA – Akmola Region Akim (Governor) Malik Murzalin met with Viktor Zaibert, professor of archaeology and researcher behind one of the most sensational archaeological discoveries in Botay culture of the 20th century as well as the producer of the documentary film trilogy “EQUUS,” Nurbol Baimukhanov.

At the Sept. 24 meeting, issues of cooperation of the parties within the framework of the project “Spiritual Relics of Kazakhstan” were discussed. The Akmola region administration and the scientists plan to work together to reconstruct the Botay culture in Borovoe.

Zaibert noted that stormy historical events had occurred on the territory of Akmola, North Kazakhstan, Pavlodar and Kostanai regions, beginning in the sixth millennium BC. “It was here that the era of horse-transport communications began; then the steppe civilization. All this relates to the ancient Botay culture. And President Nursultan Nazarbayev in his programme article [Modernisation of Kazakhstan’s identity] paid special

attention to this, because behind global economic processes we sometimes forget about the main spiritual values,” he said.

Baimukhanov will be involved in the joint project on the reconstruction of Botay culture. He noted that people who see the documentary on the history of equestrian transport and communications will undoubtedly want to see related historical places, and the reconstruction of the Botay culture in Borovoe will help attract tourists.

“EQUUS” was filmed in Akmola region, and explains how horses were saddled for the first time in the world in the northern regions of Kazakhstan. The film is planned to be shown in 60 countries of the world and be seen by more than 1 billion people.

During the meeting, issues related to the implementation of joint projects to attract tourists to the Shchuchinsk-Borovoe resort zone were discussed. Murzalin noted that tourism is necessary to realise the area’s full potential. “The Shchuchinsk-Borovoe resort zone not only has beautiful nature: there are remarkable pages of our country’s history that we should be proud of,” the governor summed up.



Astana hosts national tourism meeting, addresses acute issues

By Assel Satubaldina

ASTANA – The capital was the site for the national tourism meeting organised by the Ministry for Culture and Sports Sept. 27 that brought together representatives of the ministry, companies and NGOs working in the field to review the acute issues currently facing the industry. The session was part of the Astana Leisure 2017 exhibition that provided an opportunity for more than 100 companies from 11 countries around the world to present their tourism products.

Celebrating their professional holiday, marked worldwide as the World Tourism Day, industry representatives engaged in a heated discussion addressing the current challenges and putting forward potential solutions. The participants also drew attention to developing competitive tourism products in Kazakhstan capable of boosting an industry that currently accounts for only one percent of the nation’s GDP.

The government recently adopted a new concept on expanding tourism that set the task of increasing the industry’s share of the GDP to 8 percent by 2025 and achieving a 100-percent increase in inbound tourism which so far is poorly developed in the nation.

Atameken National Chamber of Entrepreneurs Deputy Chairperson Yuliya Yakupbayeva noted the thorough work of the entire industry in the past 12 months.

“Thanks to joint efforts and the support of the President, tourism was included in the list of new priorities [for the nation]. The attitude towards tourism has changed tremendously since last year. Today domestic tourism has become prestigious, which is also due to EXPO 2017, the establishment of the tourism industry committee [within the ministry] and, most importantly, the year-long intensive efforts of the entire industry,” she said.

The work produced positive results.

“The changed attitude of the local administration towards tourism allowed allocating more funds to the industry. For instance, the East Kazakhstan region allocated



nearly 500 million tenge (US\$1.47 million) to the development of Alakol Resort [one of the most popular holiday destinations in Kazakhstan]. The Zhambyl region allotted more than 500 million tenge (US\$1.47 million) to renovate roads near the Tau Samaly zone,” she added.

Yakupbayeva raised three issues that require attention.

“First is the development of a tourist sites rating system similar to that in China that prioritises tourist’s needs and uses the rating methodology, including the presence of highway, railroad, airport, infrastructure, safety measures and economic stability among the indicators. Second, it is important to build multimodality between railroads and airports, which allows addressing the airport load,” she noted, adding qualified personnel is equally important.

Developing infrastructure, setting up efficient and trust-based interaction between the government and private individuals working in the industry, allocating more funds and establishing the ministry for tourism were among the salient issues raised by the participants that, if addressed, can facilitate industry development.

Enhancing tourism products pertinent to Kazakhstan is of particular importance, they added.

Medical tourism, including treatment with pantocrinum-based products made from the antlers of marals (a Siberian subspecies of red deer) inhabiting the East Kazakhstan region carries a real, yet untapped potential and is one of the ways to boost the industry. Regional tourism department head Zhasulan Sersebayev spoke about plans to establish a Kazakh alternative medicine centre together with Chinese colleagues that, among other services, will offer such treatment.

Medical tourism is a “very peculiar product” which is rapidly gaining ground and surpassing the demand in beach tourism, said Kazakh Tourism Association head Rashida Shaikenova.

“We plan to invite foreign clinics and work with local ones and most importantly, we will teach them how to sell this product,” she added.

Yet prior to developing the industry, Kazakhs need to develop a tourism philosophy.

“In general, we need to develop an ideology of tourism. Why do we need that? First, so that our

taxi drivers would not charge 60,000 tenge (US\$176) to our tourists for a drive from an airport to a hotel. We also need it so that we talk less about our traditional Kazakh hospitality, but do more about developing hospital-ity services without referring to international standards, as there are none of them, but forming our own high-quality standard of services,” she said.

Shaikenova also mentioned the recent study conducted by the association which concluded the majority of museums in Almaty sell tickets to foreigners at a higher price. Such practices should also be eliminated.

“Development of tourism starts from these very small and simple things,” she added.

She also noted the financial side of creating a tourism product.

“If we talk about forming a national tourism product, it will be accomplished only after a regional product is developed. To do that, our ministry should consider proper financing of regional programmes on tourism development. Only then could we understand what every region offers and each of them is unique,” noted Shaikenova.

SPORTS

WEDNESDAY, OCTOBER 4, 2017

Astana Pro Team's
Alexei Lutsenko wins
Tour of Almaty 2017



By Anuar Abdrakhmanov

ALMATY – The Astana Pro Team's Alexei Lutsenko of Kazakhstan has once again won the Tour of Almaty, this time in the race's first iteration as a multi-day event.

Kazakhstan's first professional international two-day cycling race, Tour of Almaty, finished Oct. 1. This year, the tour was upgraded to a multi-day cycling race and included two stages. Twenty teams from 17 nations took part in the competition.

"The International Cyclists Union (ICU) approved the two-day format. This indicates that holding the Tour of Almaty for the previous four years paid off," Vice President of the Kazakhstan Cycling Federation Amanbek Kulchikov said at a press conference. "We wanted to show all the beauty of the Almaty mountains during the broadcast. This year, the duration of the race's transmission on the Eurosport TV channel increased by half an hour, and will now be 1.5 hours. Two days is not the limit for the Tour of Almaty. The race has the potential for growth and improvement. This needs to be done in a gradual, thoughtful way, without haste."

On the first day, the cyclists raced on the city's wider streets. Astana Pro Team's Lutsenko showed the best result, celebrating success in the Almaty race for the fourth time. The second day saw the cyclists riding uphill all the way to the famous Medeu skating rink, and this time Lutsenko's Danish teammate Jakob Fuglsang won, with the Kazakh rider finishing second, just 12

seconds behind. Third place was taken by a rider from the Swiss Roth-Akros, Colin Chris Stussi, who came another 12 seconds after Lutsenko.

"The race went well for me, and the whole team did great. Astana Pro Team was very strong today. I am very happy that I won the Tour of Almaty. This race is very important for the team, because it is held in Kazakhstan and the level of Tour of Almaty is very high. I think it was great to have the second stage in the mountains, because it is very beautiful there," Fuglsang said after the race.

The Tour's general classification after two days had Lutsenko as the winner. Fifty-five seconds behind was runner-up Remy di Gregorio of the French pro-continental team Delko Marseille Provence Ktm. Third place went to Fuglsang, whose result was one minute, four seconds behind the winner.

"It was a challenging and nervous race, very intensive. Our team did well today. We had a tactic in the end to allow Jakob to take the initiative. You all know he is good at mountain cycling. So he made an attack some five kilometers before the finish. Other racers could not catch up with him. I was always second or third. Jakob did a great job all the way to Medeu. The team work was great, we won both stages, grabbed the first and third places in the general classification," commented Lutsenko.

At the race's awards ceremony, winners in two additional categories were decorated: Lutsenko as the leader of the sprint classification and Rory Townsend from Bike Channel Canyon (UK) as the holder of a polka dot jersey for the best mountain rider.

FC Astana draws Slavia Prague
in UEFA Europa League

By Anuar Abdrakhmanov

ASTANA – In its first home match at the group stage of the current Union of European Football (UEFA) Europa League season, FC Astana played Sept. 28 against a strong Czech team with solid international experience. Slavia Prague's lineup this season features some well-known players such as Ruslan Rotan, Miguel Danny and Miroslav Stoch who are familiar to many football fans. The day before the game, Astana encountered injury problems with leaders such as Marin Anicic, Srdjan Grahovac and Laszlo Kleinheisler being ruled out of play due to injuries.

From the very first minutes of the match, the Czech team's attacks were sharper. The visitors opened the score through a combination that started from a free kick, which resulted in midfielder Michael Ngadeu-Ngajui's header right into the net.

The hosts responded with midfielder Patrick Twumasi's dangerous shot from outside the penalty area, but Slavia's goalkeeper managed a save. The Kazakhs managed to equalise shortly before the half-time. Striker Junior Kabananga made a good long-ranger, which was deflected by the goalkeeper, but Astana's midfielder Marin Tomasov followed up and scored.

In the second half, Astana felt



more confident and made bolder attacks. The team controlled the ball well and found free zones but failed to deliver when it came to scoring. The Czechs coped well and occasionally responded with dangerous counterattacks. In one of them, midfielder Jan Sykora shot from an excellent position but Astana's goalkeeper Nenad Eric made a great save. Thus, the game ended in a 1-1 draw. On the one hand, Astana did not lose in the home match but on the other the club missed the chance to take two

more points that could prove vital when it comes to progress from the group.

"It's a pity we couldn't win. But I am glad the team showed a good game and was trying hard on the field. We proved that Astana is a strong club, which is difficult to play against for any team in Europe. We were quite nervous and made mistakes at the beginning of the match, but then we managed to calm down and took control of the ball. I think the fans appreciated the dedication of my

players. I would like to specifically mention our defender Igor Shitov. He flew in from Germany, where he received treatment for his injury, only in the morning on the day of the game, but despite this he took to the field and played till the end. It's good to have such [dedicated] players in our team," said Astana Head Coach Stanimir Stoilov.

FC Astana will play its next match in the Europa League Oct. 19 at 9 p.m. at the Astana Arena Stadium against Israeli Maccabi Tel Aviv.

Almaty hosts Central Asia's first football
championship for children with cerebral palsy

Staff Report

ASTANA – Almaty hosted Sept. 26-27 the first football championship in Central Asia among children diagnosed with cerebral palsy and neurological diseases with the support of Kazakhstan's Football Federation.

The championship brought young players aged 10-15 years together to form six teams.

"Football is one of the rehabilitation methods for children with cerebral palsy. Look at cerebral palsy football in Europe, where many football players have their qualification enhanced after improving health condition! Some of them are no longer able to play in this kind of football [as their con-

dition significantly improves]. At the same time, football addresses social issues, as children can find their own place in society. They can work as managers or executive heads of football teams, coaches, doctors or other specialists that are in demand in sport," noted Kazakh Football Federation representative Chingiz Temerkhanov.

This year Kazakhstan received a grant from the International Federation of Cerebral Palsy Football (IFCPF) that allowed coaches from different parts of Kazakhstan to receive training from international experts, including IFCPF tutors Sam Turner from England and Marcel Geestman from the Netherlands, in training children diagnosed with cerebral palsy and neurological diseases.



The federation currently plans to form a youth national football team that will represent Kazakhstan in the international championships.

Temerkhanov also noted the development of football among

children with cerebral palsy constitutes a socially significant project for the nation, as football carries a positive effect not only on children's health, but also on their moral condition, which strengthens their confidence.

National women's volleyball team reaches world championship

By Anuar Abdrakhmanov

ALMATY – Team Kazakhstan secured a place in the Federation Internationale de Volleyball (FIVB) Women's Volleyball World Championship next year in Japan by finishing as runners-up in the Asian qualifier Pool A finals.

Almaty's Baluan Sholak Sports Palace hosted the tournament Sept. 20-24 involving teams from Australia, China, Chinese Taipei and Fiji. On the final day, Kazakhstan and China secured confident 3-0 victories over Fiji (25-8, 25-19, 25-14) and Chinese Taipei (25-18, 25-14, 25-10), respectively, and won the two berths to the world championship.

Kazakhstan defeated Australia 3-1 (25-15, 25-6, 22-25, 25-9) and Chinese Taipei 3-1 (25-15, 19-25, 25-19, 25-20), but lost to China 3-0 (14-25, 19-25, 15-25) in earlier matches.

China won all its games, taking first place with 12 points. Kazakhstan finished second with nine points, followed by Chinese Taipei (six points), Australia (three points) and Fiji (zero points).

"On behalf of myself and the whole team, I would like to express great gratitude to our fans. The support we received at home greatly helped us. We worked very hard, training twice a day, two and a half hours in the morning and three in the evening [before the tournament.] All this helped us achieve the goal of securing a berth to the world championship in Japan. I would also like to express my gratitude to the management of the Volleyball Federation of the Republic of Kazakhstan. The fact that the tournament was held in Almaty was a very significant event for our country's volleyball lovers. I think hosting such competitions helps a lot in promoting the sport in Kazakhstan," said Team Kazakhstan head coach Vyacheslav Shapran.

Next year will be the Kazakh national team's fourth consecutive appearance in the event, as the squad previously played in 2006, 2010 and 2014. Thailand and South Korea won the first two places in Asia's Pool B to secure berths in the 24-team tournament.



Photo credit: Kazakhstan Volleyball Federation press service

Nation prepares to celebrate Astana’s 20th anniversary



By Dana Omirgazy

ASTANA – Kazakh President Nursultan Nazarbayev signed a directive Sept. 30 to prepare for the celebration of the 20th anniversary of the Kazakh capital – Astana, the Akorda press service reported.

Nazarbayev called for the formation of the commission to prepare and hold the Astana City Day events. The President also approved “El Zhuregi – Astana” as the concept for the celebration.

The government of Kazakhstan together with the akims (mayors) of Astana and Almaty, as well as regional governors are assigned to develop and approve the action plan for the preparation and holding of the 20th anniversary of the capital of Kazakhstan within two months. In addition, they need to ensure timely financing of activities to hold the 20th anniversary of Astana, said the decree.

Kazakhstan’s Supreme Council decided to move the capital from Almaty to Akmola July 6, 1994. Officially, the capital was moved Dec. 10, 1997. By presidential decree dated May 6, 1998, Akmola was renamed Astana. The City Day was celebrated June 10 from the moment the city acquired the status of the country’s capital in 1998. Later, in 2006,

the City Day was transferred to July 6.

In 1999, UNESCO awarded the City of Peace title to Astana. Since 2000, the Kazakh capital became a member of the International Assembly of Capitals and Major Cities of the Commonwealth of Independent States.

City presents first business centre built in compliance with green technology standards

By Aigerim Bulambayeva

ASTANA – Talan Towers Offices, an A-class business centre built as part of the multifunctional Talan Towers complex, was presented Sept. 28 in the capital. It is a pioneer in green technology construction among the city’s business centres, as it was built in accordance with Leadership in Energy and Environmental Design (LEED®) international standards.

The media event introducing the building was organised by Yerlan Ospanov, general director of Verny Capital, Ammar Nahya, general director of Jain Engineering Consultants International, Lukasz Skowronski, managing director of Global Development LLP and Leonid Volokh, regional director of JLL Russia & CIS (Commonwealth of Independent States).

“The Talan Towers Offices business centre is definitely a ‘new word’ both in business architecture and business environment philosophy in Astana. We have been working and continue working in cooperation with the best ones, having a common goal – to create a unique product in the commercial real estate market of the capital and to ensure its highest quality for the client. In many ways, we have exceeded the expectations of the companies about the offices they would like to have in the future,” said Ospanov.

Nearly everything in Talan Towers is about green technologies, including the energy-saving glass, which enables optimising the temperature and light inside the building due to the low thermal conductivity and high sunlight penetration. For the first time, Talan Towers Offices introduced green roof technology, which keeps heat inside the building, has water supply and drip irrigation systems that save up to 92 percent of water and re-uses rainwater to irrigate green spaces, as well as solar panels and charging stations for electric vehicles. The locker rooms and showers on the ground floor are also part of the green ideology, as they are installed to encourage employees and visitors to use sustainable means of transportation, like bicycles.

“Verny Capital strived to make Talan Towers a ‘smart building.’ This became possible due to the increase in energy effectiveness, reduction in the negative effects on the environment and high comfort level. This is a new market standard which others have to compete with,” said Nahya.

“The idea of green technology is great. This is what you would expect in a top city anywhere in the world and here in Astana. I am excited to see how everything unfolds. I want to see this place in full capacity. That would be great for Astana,” said guest Richard Castleberry, head of Business Development for Academic Programmes at Nazarbayev University.

Renewable energy to light 100 pedestrian crossings



Staff Report

ASTANA – Nearly 100 pedestrian crossings in Astana will be powered by wind and solar energy, said head of the city’s renewable energy sources project Rustam Kadyrov Sept. 19. The measure seeks to save energy and enhance the lighting at night to decrease the road crash rate in the city.

“Column with a console will be installed near a pedestrian crossing along with additional lamp. Wind turbines, solar panels and batteries will be set up as well to support the system. This means that batteries will store energy generated from wind and sun and at nighttime the system will transmit the energy to light the pedestrian crossing,” said Kadyrov.

The city administration plans to equip 50 pedestrian crossings with the new system by the end of the year with the rest to be installed by the middle of 2018.

Last year, the city launched the system in five locations as a pilot project, which proved to be successful, and according to experts, the system surpasses the conventional lighting system in terms of its autonomy and focus on a particular site, which allows increasing the lighting at night by an estimated 30 percent.

When choosing the locations where the system will be installed, the project team drew particular attention to the city’s areas characterised by high road crash rates.

“We reviewed all pedestrian crossings in the city’s most remote areas, suburbs, city centre and all districts. We compiled the list of areas most vulnerable to road crashes, for instance, Gertsen Street, Sar'yarka and Almaty district and part of Yessil district. We particularly emphasised the areas with schools and kindergartens. The new systems will be installed there,” noted Kadyrov.



THE ASTANA TIMES

Dear Friends,

We are pleased to announce that readers in Kazakhstan can now subscribe to the print edition of **The Astana Times**. The newspaper will be delivered to your door twice per month.

If you’re interested in receiving The Astana Times in print, along with enjoying our online stories, act now! Contact KazPost near you and set up the subscription using our new subscription index **64572**.

We hope all of you continue to enjoy reading and sharing our stories.

Sincerely,
Roman Vassilenko
Editor-in-Chief
The Astana Times

THE ASTANA TIMES
astanatimes.com