



Freestyle skier wins bronze, nation's first medal at PyeongChang

By Anuar Abdrakhmanov

PYEONGCHANG – Kazakhstan freestyle skier Yulia Galysheva won Kazakhstan's first medal at the 2018 Olympics, taking bronze in the individual moguls.

The Kazakh athlete was considered one of the main contenders for the medal, as she took leading positions at the World Cup stages several times.

Galysheva steadily made her way to the main final, winning points all the way. At her first attempt, she scored 75.10 points, placing third. In the next round, the judges gave her 76.81 points, bringing her from sixth place to the main final.

Galysheva started first in the final round and showed her best results in these Olympics, scoring 77.40 points.

First place in this event went to Perrine Laffont of France, followed by Canadian Justine Dufour-Lapointe.

"I'm happy that I won the medal. I would like to thank my team, which was with me during the preparations. This medal is the achievement of the whole Kazakhstan. Once again, I want to thank all the fans who supported me. Of course, the Olympics are a special competition, but as I said, for me it's the same competition as the World Cup. The same athletes, with whom we compete throughout the season, are here as well. Although there are more cameras and attention at the Olympics. I will now have the sta-



Yulia Galysheva

tus of an athlete who won medals in all important international competitions," said Galysheva.

Kazakh skiers have never won a medal in moguls. This is Galysheva's third Olympics. She took 11th place in moguls at the 2010 Olympic Games in Vancouver,

Canada and seventh at the Sochi 2014 Olympics in Russia.

"Millions of Kazakhs witnessed your brilliant performance, courage and incredible desire to win, which you showed throughout the competition against the best freestyle skiers from around the world. The

Olympic medal is a well-deserved reward for the years of training and courage. We sincerely congratulate you and your coach, as well as the entire team that made their contribution," said President of the National Olympic Committee of Kazakhstan Timur Kulibayev.

Extended government meeting sums up results of 2017, outlines errors

By Aigerim Seisembayeva

ASTANA – Members of the Kazakh government reported to President Nursultan Nazarbayev during the Feb. 9 extended government meeting, outlining the key outcomes of 2017 and setting goals for the coming years.

Opening the meeting that lasted for more than three hours, President Nazarbayev said the past year was tough and marked by an unstable global economic situation. His overall assessment of the government's work in this regard was mostly positive, with targeted criticisms addressed to certain ministers regarding the implementation of major national programmes.

Nazarbayev focused on problems in the banking sector, clarifying the objectives of the digitalisation programme, controlling the budget and reducing inspections of small and medium-sized enterprises (SMEs).

Prime Minister Bakytzhan Sagintayev, Deputy Prime Minister Askar Zhumagaliyev, Minister of Finance Bakhyt Sultanov, Chairman of the National Bank Daniyar Akishev, Chairman of the Board of Atameken National Chamber of Entrepreneurs Ablai Myrzakhetov, Akim (Governor) of the Karaganda Region Yerlan Koshanov and Akim of the Kyzylorda region Krymbek Kusherbayev presented reports on their areas of responsibility.

Sagintayev presented a 20-minute report on the government's work carried out in 2017. He noted the national economy has reached the point of stable development, which is confirmed by international rating agencies that are providing stable forecasts to the Kazakh economy.

"GDP [gross domestic product] grew four percent, and 60 percent of

growth was provided by non-primary sectors. It is important because it shows the economy's stability and the change in its structure. Foreign trade turnover grew 25 percent to \$69.5 billion. Investment in fixed assets increased 5.5 percent, with private investments growing 6.9 percent," he said.

Sagintayev also highlighted that inflation dropped to 7.1 percent, the national debt did not exceed 26 percent of GDP and the national budget income grew 26.3 percent.

He then focused on the results of the implementation of national programmes initiated by Nazarbayev in previous years.

Regarding the "100 Concrete Steps" Plan of the Nation, Sagintayev stated 74 laws and more than 500 legal acts were adopted over the three years of its implementation, while 55 steps out of 100 have already been implemented.

The measures undertaken as part of the plan include a complex attestation of civil servants, testing of the new result-based system of their remuneration, transition from a five-tier justice system to a three-tiered one, a new antimonopoly legislation that is in line with the standards of the Organisation for Economic Co-operation and Development (OECD), a shorter procedure for obtaining permits, a tax reform that will increase budget revenue by 90 billion tenge (\$276.3 million) in 2018 and the Government for Citizens corporation that provided 64 million services in two years, among other measures.

Nazarbayev, in this regard, instructed the government to take control of the introduction of electronic declaration for imports and the reduction of the number of inspection and supervisory agencies.

Continued on Page A2

Kazakhstan moves up one spot to 41st on 2018 Index of Economic Freedom

By Zhazira Dyusseimbekova

ASTANA – Kazakhstan's economy moved up one spot to 41st on the recently released 2018 Index of Economic Freedom annual report published by the Heritage Founda-

The second place was taken by Singapore and the third went to New Zealand. The top 10 countries also include Switzerland, Australia, Ireland, Estonia, the United Kingdom, Canada and the United Arab Emirates. China placed 110th and the United States ranked 18th.

Kazakhstan is ranked 11th among 43 countries in the Asia-Pacific region, and its overall score is above the regional and world averages," reads the report.

Among other CIS members, Armenia was ranked 44th, Azerbaijan 67th and Kyrgyzstan 78th. Moldova's economy is 105th in the ranking. Tajikistan is 106th, while Russia placed 107th and Belarus 108th. Ukraine was ranked 150th, Uzbekistan took 152nd place and Turkmenistan 169th.

The index began in 1995 and evaluates countries in areas that affect economic freedom, which are rule of law, government size, regulatory efficiency and open markets. Based on an average score, countries are classified as "free" with scores of 80 or higher, "mostly free" (70-79.9), "moderately free" (60-69.9), "mostly unfree" (50-59.9) or "repressed" (under 50).

Kazakhstan belongs to a group of "moderately free." The nearest countries in the list are Jamaica on the 40th place and Colombia on the 42nd.

While Kazakhstan's position

on the index is respectable, some things were criticised by the foundation.

"Kazakhstan's government is well aware that the economy is overly reliant on oil and extractive industries, but initial attempts to open such sectors as transport, pharmaceuticals, telecommunications, petrochemicals, and food processing to greater development and investment have been uneven. Notwithstanding some positive changes, investors remain concerned about corruption, bureaucracy, and arbitrary law enforcement, especially at the regional and municipal levels. An additional concern is the banking sector, which suffers from low liquidity, poor asset quality and a lack of transparency," said the report.

Rule of law is assessed by the categories of property rights, where Kazakhstan has 56 points out of 100, government integrity (44.6) and judicial effectiveness (58.1). That area is the weakest for Kazakhstan among four assessed.

Continued on Page A2



tion. It was the highest ranking in Central Asia and among the Commonwealth of Independent States (CIS).

Out of 180 countries represented in the ranking, Hong Kong was recognised as the freest economy of the world, the same as 2017.

Kazakhstan's economic freedom score is 69.1 out of 100 maximum.

"Its overall score has increased by 0.1 point, with significant improvements in investment freedom and government integrity offsetting steep declines in fiscal health and monetary freedom. Ka-

Eurasian PMs outline digital priorities, economic cooperation at Almaty meetings

By Aigerim Seisembayeva

ASTANA – The Eurasian Economic Union's (EAEU) digital agenda and mechanisms for implementing policies were the main topics of the Feb. 2 meeting of the Eurasian Intergovernmental Council (EIC) in Almaty, Kazakhstan's largest city. The meeting resulted in the adoption of 14 documents, including an

agreement on labeling goods and a treaty on pensions.

The Kazakh, Armenian, Belarusian, Kyrgyz and Russian prime ministers, as well as Chairman of the Board of the Eurasian Economic Commission (EEC) Tigran Sargsyan participated in the meeting. Heads of government, as well as official delegations from Azerbaijan and Tajikistan, also took part in a forum themed "Digital agenda in the globalisation" that

was initiated by Kazakh President Nursultan Nazarbayev and took place the same day.

The EIC meeting discussed the macroeconomic situation in the EAEU member states, proposals for further ensuring sustainable economic growth, trade within the union and agriculture development prospects.

Speaking at the opening of the meeting, Kazakh Prime Minister Bakytzhan Sagintayev outlined a

number of practical results of the EAEU's continued development. He stated, in particular, that the union's contractual and legal foundation has been created and is constantly being improved.

"The work on shaping the EAEU is in progress. Three years of work are bringing some positive results. We adopted a number of important documents on the union's current and further development.

Continued on Page A3

The country improves ranking on Open Budget Index

By Meruyert Abugaliyeva

ASTANA – Kazakhstan received 53 points in 2017, compared to 51 the previous year, in the Open Budget Index (OBI) ranking. The rating uses a 100-point scale to measure central government budget transparency.

The assessment was conducted by the International Budget Partnership (IBP). Scores are assigned to 115 countries based on 109 indicators that assess public access to information in eight main budget documents.

Kazakhstan's score was the result of limited budget data provided for public inspection, according to the ranking. Extensive information was available in New Zealand (89 points), South Africa (89 points) and Sweden (87 points), while Equatorial Guinea, Lesotho, Niger, Qatar, Venezuela and Yemen, each with a score of zero, provided little or no information.

The index also offers a comparative budget assessment according to the three main factors – transparency, public participation and oversight.

IBP assigned Kazakhstan's transparency score due to limited budget data provisions. The country has seen significant advances, however, as the score climbed from 35 in 2008. Kazakhstan also scored more than the global average of 42 and

surpassed neighbouring Azerbaijan, Mongolia and Tajikistan.

The key comments note the citizens budget was not published last year and the socio-economic development forecast was not published on time. The in-year and year-end reports received excellent evaluation (89 and 64 points, respectively), compared with low marks (37 points) for the mid-year review.

The public participation score of 13 was higher than the global average of 12. The figure indicates few opportunities are provided for the public to be involved in the budget process.

By contrast, Kazakhstan received 63 points for budget oversight, implying the legislative system and supreme audit institution provide adequate budget control during the planning and implementing stages.

The Ministry of Finance addressed the OBI rankings at a Jan. 31 press conference.

"Extensive work is done by the Ministry of Finance to increase budget transparency. The in-year and annual budgets received higher scores in 2017. The rules for citizens budget formulation and presentation at the stages of budget planning and execution were approved on Jan. 8 by the minister's order," said budget legislation department head Zaifun Yernazarova.

The IBP conducted its sixth OBI ranking in an effort to promote public access to budget data and adopt accountable budget systems.

INSIDE

NATION
Nazarbayev wants National Bank to put an end to 'pervasive' theft in banking sector **A2**
New app helps Kazakhs be more eco-friendly in personal waste management **B2**

ECONOMY&BUSINESS
Agriculture Ministry to digitise state agricultural services, conduct technology renewal **A4**
Polpharma Group to invest \$37 million to digitise, automate Shymkent pharmaceutical plant **A5**

EDITORIALS
Kazakhstan's UN Security Council presidency marks significant step in country's development **A6**

OPINION
YESSEKINA: Green Bridge Partnership Programme offers tool for Paris Climate Agreement implementation **A7**
KUMAR: What Nazarbayev Hopes to Achieve **A7**

NATION&CAPITAL
Kazakh short-track skater carries flag at Olympics opening ceremony **B1**
Official Almaty travel guide explores city in 72 hours **B6**

NATION

WEDNESDAY, FEBRUARY 14, 2018

Nazarbayev wants National Bank to put an end to 'pervasive' theft in banking sector

Staff Report

ASTANA – Kazakhstan President Nursultan Nazarbayev lamented the “pervasive theft of the state’s and people’s money” at the Feb. 9 extended government meeting he chaired.

“When are we going to finish this business?” Nazarbayev asked the governor of the National Bank Daniyar Akishev.

He reminded everyone present of the situation BTA Bank, once Central Asia’s largest lender, found itself in 2009 after its chairman, Mukhtar Ablyazov, fled the country having embezzled more than one trillion tenge (more than US\$7.5 billion) from the bank.

“We have now uncovered (Ablyazov’s money laundering schemes) throughout the world and have proven that this was clearly a theft of state money”, Nazarbayev said. He also expressed distinct dissatisfaction with the work of the National Bank, which “sat idly and observed” the capital flight.

“What’s the purpose of an oversight body then?” said Nazarbayev, outraged that a similar situation of siphoning of millions of dollars by bank shareholders is still widespread across the financial services sector.

Nazarbayev ordered the government to quickly develop a bill empowering the National Bank to conduct inspections into banks’ health and capital movements.

Akishev himself admitted that until 2017 the country’s banking sector was slow in solving accumulated problems that had dragged on since the financial crisis of 2008-2009. According to him, the high level of so called bad loans, reaching 33 percent of the total loan portfolio of banks in 2013, required systemic solutions, but banks in most cases took a conservative stance. They did not recognise the root of the problems, but instead went

through restructuring, reclassified borrowers and wrote off individual loans. All this prevented the banking system from fiscal consolidation.

In addition, some banks and financial institutions pursued a risky policy by lending to persons affiliated with shareholders and management. Back in 2000s, this would have been financed through outside foreign loans, but in recent years, banks borrowed money directly from the state. According to Akishev, over 7.2 trillion tenge (US\$22.1 billion) at second-tier banks’ accounts currently belong to state-owned holdings and quasi-governmental companies.

Citing the example of the Delta Bank, whose banking license has recently been revoked, Akishev reported that almost 100 percent of the bank’s loans went to companies controlled by its shareholder, were not reflected in the bank’s accounts but revealed only after an inspection. “Sixty percent of the bank’s liabilities were accounts of quasi-governmental structures,” Akishev added.

A similar situation was uncovered at the RBK Bank, where 90 percent of loans were issued to four borrowers who were either the bank’s shareholders or persons affiliated with them, said Akishev.

The issue of “reloading” of the financial sector was one of the topics Nazarbayev raised in his Jan. 10 state-of-the-nation address. He specifically pointed out that “the withdrawal of funds from banks by shareholders for the benefit of affiliated companies and individuals should be considered a serious crime.”

Supervision of the activities of financial institutions by the National Bank should be tough, timely and effective, he said back in January, signalling that banks’ bad behaviour could undermine confidence in the country’s financial system and its national economy.

Kazakhstan moves up one spot to 41st on 2018 Index of Economic Freedom

Continued from Page A1

“Secured interests in property are recognised in law. Although the government has improved the enforcement of contracts and has simplified property registration, property rights are not fully protected. Judges are subject to political bias. Corruption is not only evident in the judicial system, but also widespread throughout the government. Those who are in positions of authority are able to act with impunity,” reads the report.

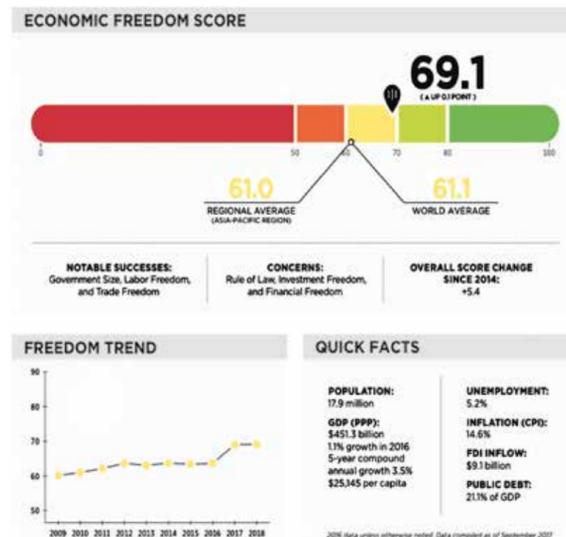
Government size is measured by categories of government spending (85.3 points), tax burden (92.6) and fiscal health (87.3). The flat personal income tax rate is 10 percent, and the standard corporate tax rate is 20 percent. The overall tax burden equals 15.6 percent of total domestic income.

According to foundation’s data, over the past three years, government spending has amounted to 22.2 percent of total output (GDP), and budget deficits have averaged 2.7 percent of GDP. Public debt is equivalent to 21.1 percent of GDP.

Regulatory efficiency consists of business freedom at 74.3, labour freedom at 86.8 and monetary freedom at 68.2. Here the researchers noted the simplified process for starting a business, as well as improved processes, such as dealing with construction permits, getting electricity, minority investor protections, exporting, enforcement of contracts and resolution of insolvency.

In the open markets area, trade freedom is assessed at the level of 75.6 points, while investment and financial freedom were fixed half way on the level of 50 points.

“Trade is significant for Kazakhstan’s economy; the com-



ported value of exports and imports equals 62 percent of GDP. The average applied tariff rate is 4.7 percent. Nontariff barriers impede trade. Government openness to foreign investment is below average. Troubled banks have been recapitalised, and the financial sector is largely stabilised, but the number of nonperforming loans remains high, concentrated mostly in three banks,” according to report.

“High points were reached in categories of fiscal health, business freedom and labour freedom. One of the factors that contributed to the promotion in the rating is the improvement and expansion of the conditions for the implementation of entrepreneurial initiatives. So, for example, in 2017 a simplified procedure for the registration of individuals as an individual entrepreneur came into effect. Also, work to improve the tax administration sys-

tem with an emphasis on voluntary fulfillment of obligations by taxpayers continued. The number of tax inspections has decreased 40 percent,” Kazakhstan Institute for Strategic Studies Research Fellow Anna Alshanskaya told The Astana Times.

She has added that the new tax code might also improve the situation.

“An important priority of the new tax code, which came into force from the beginning of the year, is to protect the interests of entrepreneurs. The introduction of three-vector administration, in which incentive and control measures are based on a differentiated approach to the taxpayer, optimisation of tax regimes and tax burden will help create even more favourable conditions for the development of mutually beneficial cooperation between the state and business,” she said.

NATIONAL NEWS IN BRIEF

A small industrial zone project was launched Feb. 9 in cooperation with the regional chamber of entrepreneurs and local administration in Taldykorgan, reported Kazinform. “The concept aims to create a business incubator on idle enterprises in the region. Thirteen idle enterprises were identified and monitoring of other plants is underway. The development of small industrial zones is a mechanism to stimulate small and medium-sized businesses to use land resources efficiently and to modernise idle enterprises,” said chamber representative Dias Beissenbek. The facilities are provided on preferential terms with all necessary infrastructure for entrepreneurs.

ImPOSSIBLE, an educational programme developed by the Agitos Foundation and International Paralympic Committee development arm, will be launched in Kazakhstan, according to the National Paralympic Committee press service. Its mission is to spread Paralympic values and the vision of the Paralympic movement to young people throughout the world. Foundation representatives conducted a two-day training for physical education teachers in early February. “The training is focused on teaching students with special needs. Sports for persons with disabilities is not widespread nationwide. The programme is designed for school teachers who work with students aged 6-12. It provides a wide range of easy-to-use ideas to become acquainted with Paralympic values, sports and inspirational achievements of athletes,” according to the release.

Electronic health passports will be introduced this year, reported Kazinform, with 25 public and two private medical organisations receiving financing to implement the project in Astana. “Physicians and patients will have access to all the data. The personal account provides diagnosis of treatment, feedback from the patient and conducting round-the-clock monitoring. Physicians will receive a tool to prevent medical errors and improve the quality of medical care,” said National Electronic Health Centre Astana-branch head Saule Kurmanova at a Feb. 8 briefing.

Extended government meeting...

Continued from Page A1

The head of state also instructed the prime minister to take control of the work on attracting transnational companies to the manufacturing sector, noting the important role of the Kazakh Invest and Kazakh Export national companies. Investment into agriculture and the Astana International Financial Centre (AIFC) are among the top priorities.

In addition, he outlined the issue of self-employed citizens and their impact on the mandatory social health insurance programme.

“Another cause of the slowdown in healthcare reform is poor digitisation. We still do not have electronic health passports. Medical institutions on the ground are poorly provided with computers and access to the Internet. This is the area of responsibility of akims,” said Nazarbayev.

He also instructed the governmental bodies to continue reducing the excessive repressiveness of the criminal process and increase its humanisation. In the anti-corruption dimension, Nazarbayev stated that taking systemic preventive measures is the main task in the fight against corruption.

The State Programme of Accelerated Industrial and Innovative Development (SPAIID), according to Sagintayev, is the main tool for diversifying and improving the industry’s competitiveness.

“Since 2010, 1,148 new projects worth 6 trillion tenge (\$18.4 billion) have been commissioned, creating 107,000 permanent jobs... New high-tech goods, including locomotives, electric locomotives, passenger coaches, automobiles, mining and oil and gas equipment are now being produced and exported,” he stated.

The contribution of the manufacturing sector to industry increased from 31 percent in 2010 to 40 percent in 2017. Non-primary goods export grew 22 percent, extending to 122 countries.

Nazarbayev, commenting on the

results, instructed to take measures to increase the manufacturing sector’s share in the economy.

He also dwelled on the issues of introducing advanced technologies into production and enhancing the export capabilities of businesses.

“State support should be first provided to companies implementing advanced technologies and exporting goods. Active measures are needed to ensure faster growth in the manufacturing industry,” Nazarbayev said.

He also instructed to examine the effectiveness of existing special economic zones and temporarily prohibited the creation of new ones.

The head of state also discussed processing in the oil and gas sector and the transformation of the Samruk Kazyna Sovereign Wealth Fund.

Sagintayev’s report outlined the key goals of the Digital Kazakhstan programme that is now under implementation. Those include providing broadband internet access to all populated areas of Kazakhstan, increasing the population’s digital literacy, creating digital factories and providing a legal framework for e-commerce, venture capital financing and the IT industry. The Smart City concept has been approved and is to be tested in every region by the end of the year.

Over the years of independence, according to the prime minister, around \$300 billion in foreign direct investments (FDI) were injected into Kazakhstan economy. The FDI structure has changed, with 25 percent accounting for manufacturing industry, and 50 percent invested into non-primary sectors.

“The government is ensuring the implementation of your (Nazarbayev’s) agreements with China, Russia, the United States, Japan, South Korea, Iran, Turkey and other countries on developing production capacities worth a total of about \$50 billion,” said Sagintayev.

The Nurly Zhol infrastructure development programme creates 100,000 jobs annually and has built 2,000 kilometres of roads in three



years. More than 500 kilometres are to be commissioned by the end of 2018.

In this context, the head of state specifically highlighted the need to monitor the efficiency and transparency of the use of funds for highway construction. Nazarbayev also drew attention to the importance of building interregional and inter-district roads by redirecting the expenses for non-priority national roads.

The three years of implementation also resulted in 1,376 kilometres of new railways, a runway reconstruction in most airports of the country, a new railway station and an airport terminal in Astana.

The construction of the 2,857-kilometre Kazakh section of the Western Europe – Western China international corridor has been completed, covering more than 240 settlements in five regions with a total population of about 5.5 million people.

New logistics hubs were created in Kazakhstan’s eastern and western regions, a new joint Kazakh-Chinese logistics terminal was built in Lianyungang and the Trans-Caspian international transport route has started operating.

“The task is to bring the profit from all types of transit to \$5 billion and increase cargo transit from China to Europe to two million containers by 2020,” Sagintayev said.

The Nurly Zher programme ensured the commissioning of 11.2 million square metres of housing and new accommodation for more

than 100,000 families in 2017. This resulted in a growth in the construction industry, with the volume of construction material production amounting to more than 440 billion tenge (\$1.3 billion).

In this sphere, Nazarbayev instructed the government to revise the mechanisms to further implement the state programme.

“Over the past two years, the state allocated 550 billion tenge (\$1.7 billion) for housing construction. All this was spent on direct construction financing. In the crisis years, it was a justified measure. Now we need to switch to market mechanisms. Banks should finance construction, and the government, the National Bank and akims should create conditions for cutting housing costs,” he said.

Other results outlined by Sagintayev included the growth of the agricultural industry’s exports by 10 percent and gross agricultural production’s growth by 2.9 percent due to measures on increasing the effectiveness of state subsidies.

The programme of productive employment and entrepreneurship development involved more than 570,000 people in the first year; 315,000 of them have already been employed. The business sphere has been deregulated and a new entrepreneurial code has been adopted.

“Permits have been reduced threefold; inspections have been reduced four times. Support worth 286 billion tenge (\$872.3 million) was pro-

vided to 192,000 businesses. Conditions for public private partnership development have been improved. A total of 160 contracts worth 146 billion tenge (\$445.3 million) have been concluded,” said Sagintayev.

The measures taken allowed increasing SMEs’ output 29 percent and the share of SMEs in the economy by almost 27 percent.

Sagintayev also dwelled upon the Modernisation of Kazakhstan’s Identity programme that, among other things, includes a transition of the Kazakh language to the Latin script. He stated the step-by-step transition plan has already been elaborated.

The New Humanitarian Knowledge project identified 800 humanitarian science textbooks and translated 17 of them into Kazakh. The Tugan Zher (Motherland) project has carried out 700 events and is expecting 300 more. Private donors provided more than 51 billion tenge (\$155.6 million) for the project. The Kazakhstan’s Sacred Geography project outlined 183 objects of national importance and 520 objects of local importance. The 100 New Faces project winners were identified and presented to the public.

Nazarbayev noted the formal and non-systemic approach of some heads of regions to the programme’s implementation.

“The modernisation of identity is not limited to one year. It is a long-term work that requires systemic and constant search for new methods,” he said.

At the end of the meeting, Nazarbayev highlighted the importance of implementing all the priorities of his recent state-of-the-nation address.

“In the address, I outlined ten specific tasks in the conditions of the fourth industrial revolution. The Presidential Administration, the government, the Parliament, akims, the Atameken and national companies need to carry out the relevant work. Today, I have outlined a number of other issues that need to be addressed. In conditions of ongoing constitutional reforms and a complicated geopolitical situation, everyone needs to step up and work together,” Nazarbayev concluded.

Three power plants, a medical device manufacturing workshop, shoe plant, technical maintenance airport and hydroelectric power station will be constructed in 2018-2020 on the Ili River in the Almaty region. “We also plan to develop the agricultural sector. Two service-providing centres will be created and equipment to increase the sowing of sugar beets will be purchased. The area of greenhouse complexes will also increase and create 128 jobs. The issue of subsidising the cost of water supply services is under consideration,” said Kapshagay Akim (Mayor) Talgat Kainarbekov at a Feb. 4 briefing.

Poultry meat production has increased five-fold in the South Kazakhstan region, according to the regional administration. The region has more than 2.7 million birds, 1.2 million of which are raised at the Ordabasy Kus and Shymkent high-tech farms. An automated system provides sanitation and feed, collects eggs, slaughters and stores finished products. Also, “the intensive gardening on an area of 2,800 hectares has increased 1.5-two times compared to traditional gardens. Seventy percent of greenhouses operate in automated mode. As a result, more than 200 tonnes of cucumbers and about 400 tonnes of tomatoes are produced per year,” according to the press release.

An interregional forum dedicated to developing local content in the oil, gas and mining sectors was held Feb. 9 in Aktobe, according to Zakon.kz. Strengthening cooperation and interaction between the regions is needed to develop domestic commodity producers and increase local content share. “We try to develop economic relations with all regions. We developed a balance of production and consumption of industrial products and food two years ago. We asked the neighbouring regions to develop a similar document to identify what items they produce or do not produce. We need to create joint production and try not to import from other countries,” said Aktobe region Akim (Governor) Berdybek Saparbayev.

EURASIA&WORLD

WEDNESDAY, FEBRUARY 14, 2018

EXTERNAL NEWS IN BRIEF

Azerbaijan, Georgia, Kazakhstan and Turkey presented the potential of the Trans Caspian International Transport Route (TITR) during the conference under the same name in Beijing, focusing on the corridor's role in implementing China's Belt and Road Initiative. Running through Kazakhstan, Georgia and Azerbaijan, the corridor offers one of the most convenient and fast ways – 13 or 14 days – to transport goods from China to European countries. First Vice Minister for Investment and Development Roman Sklyar, who led the Kazakh delegation, briefed the participants on Kazakhstan's transport potential and its contribution to developing the route. Kazakhstan Temir Zholy Vice President Sanzhar Yelyubayev reported the expected growth of trade turnover in the corridor region will reach \$922 million by 2020.

A Kazakh delegation headed by Vice Minister for Religion and Civil Society Affairs Abzal Nukenov attended the United Nations Economic and Social Council Youth Forum at UN headquarters in New York, an event that gathered more than 700 representatives of UN member states' youth organisations and states dealing with youth policy. The forum gives voice to young people in implementing the UN Millennium Development Goals. Nukenov spoke about Kazakhstan's youth policy focusing on the nation's two key directions – promoting youth interests through youth affairs councils at national and regional levels and offering assistance through youth resource centres and social services. The self-governing bodies are essential to actively promote youth interests, he said.

European External Action Service (EEAS) Managing Director for Russia, Eastern Partnership, Central Asia and OSCE (Organisation for Security and Co-operation in Europe) Luc Devigne recently praised Kazakhstan's development progress. The nation and the European Union (EU) are celebrating their 25th anniversary of diplomatic relations this year and the ties have never been as strong and solid as they are now, he said. Devigne noted the EU welcomes Kazakhstan's active role in the international arena, including the nation's non-permanent membership on the United Nations Security Council, and the country's vital role in promoting the nuclear non-proliferation regime and global stability.

Ten million tonnes of crude oil and condensate has been exported to date from Kashagan oil and gas field, according to the North Caspian Operating Company (NCO) press service. Kashagan, along with Tengiz and Karachaganak, is one of Kazakhstan's largest oil and gas fields and is considered the world's largest discovery in the past 40 years. It is operated by NCO based on a production sharing agreement with Eni, ExxonMobil, KazMunayGas, Royal Dutch Shell and Total, as well as China National Petroleum Corporation and Inpex of Japan. The proven reserves are estimated at 9-13 billion barrels. Production safety is the company's key priority and it plans to steadily increase production volumes through a set of planned measures to ensure reliability of the equipment and processes.

Kazakh Ambassador to Japan Yerlan Baudarbek-Kozhatayev and Japanese Aerospace Exploration Agency (JAXA) Chair Naoki Okumura agreed on the importance of further strengthening exploration cooperation and using outer space during their recent meeting in Tokyo. The 2010 agreement signed between Kazakhstan's National Space Agency and JAXA sets out a legal framework for space cooperation which has reached a new quality level, said Okumura. He noted Kazakhstan is a safe departure and landing site for Japanese astronauts on a mission to the International Space Station (ISS). Japanese astronaut Norishige Kanai is expected to land in Kazakhstan in June, finishing his six-month mission aboard ISS.

Eurasian PMs outline digital priorities, economic cooperation at Almaty meetings

Continued from Page A1

The proof is the entry into force of the new EAEU Customs Code on Jan. 1. This created the necessary conditions for a quicker procedure of passing through customs," said Sagintayev.

Despite global economic instability, Kazakhstan managed to maintain positive trends in trade turnover both within the EAEU (31 percent growth in 2017 compared to 2016) and with third countries. In 2017, the Kazakh economy, according to preliminary data, grew 4 percent.

The meeting's focus was on issues related to digitisation in all sectors of the economy, including goods, services, labour and capital markets. The EAEU member states' governments, together with the EEC, have launched the practical implementation of the digital agenda until 2025, which was approved by EAEU heads of state in December 2016.

"Due to economy digitisation, we are about to face a number of issues in employing the released labour. Our citizens should be able to quickly find new jobs, including on the territory of the union," Sagintayev said.

In this regard, he noted the presidents of Kazakhstan and Russia have discussed creating a single integrated Eurasian electronic labour market and developing unified qualification requirements for employees.



L-R: Eurasian Economic Commission Board Chairman Tigran Sargsyan, Armenian Prime Minister Karen Karapetyan, Belarusian Prime Minister Andrei Kobyakov, Kazakh Prime Minister Bakytzhan Sagintayev, Kyrgyz Prime Minister Sapar Isakov, Russian Prime Minister Dmitry Medvedev.

Sagintayev also pointed out a number of issues in customs regulation.

"We have a single customs territory, but no integration in customs declarations for export and temporary import of railway transport. In this regard, I consider it necessary to carry out joint work on amending the decisions of the commission [EEC], as well as the international transport legislation," Sagintayev stated.

He noted the importance of intensifying work on integrating information systems and providing electronic customs marks on transport documents. It is notable that Kazakhstan is currently implementing the Astana-1 information system, which enables customs transit and export declaration.

Karen Karapetyan, the Prime Minister of Armenia, highlighted the need to concentrate on areas that will ensure sustainable economic development.

"It is important to keep the focus on eliminating the barriers that still exist on the common market, to provide the necessary prerequisites for doing business in the conditions of unified healthy competition rules and efficient use of logistics, transport and communication capabilities," said Karapetyan. Belarusian Prime Minister Andrei Kobyakov stressed "the need for additional internal coordination of the EAEU, as well as ensuring the comprehensive and unconditional fulfilment of the union's norms and commitments undertaken by

all member states." Kobyakov also noted the need to take into account national interests and find an optimal balance between these interests when making decisions on the introduction of labelling specific goods.

Kyrgyz Prime Minister Sapar Isakov emphasised the potential of the union and the possibilities of its economic growth. In his opinion, it is important to stimulate cooperation in industry, to promote the creation of joint ventures, to develop a healthy competitive environment and to improve the business climate.

Russian Prime Minister Dmitry Medvedev focused on continuing work on eliminating barriers and constraints that remain in the EAEU market and proposed com-

plementing the work with new initiatives.

"We need our own digital platforms and infrastructure; we must act jointly using common standards. I am talking about traceability, e-commerce development, the transition to common standards and IT technologies in transport, industry and customs. We need to consolidate our national proposals," he said.

The EIC meeting adopted 14 documents, including the Agreement on the Labeling of Goods by Identification Means in the Eurasian Economic Union, which was developed on the instruction of the prime ministers and aims at increasing control over the circulation of goods within the EAEU.

A regulation on the development, financing and implementation of interstate programmes and projects in the industrial sphere was among the adopted documents.

Meeting participants also signed EIC orders on the implementation of treaties on the provision of pensions for employees of EAEU member states, the macroeconomic situation in EAEU member states and proposals for sustainable economic development, mutual trade among EAEU member states and forecasts for agricultural development.

The meeting participants appointed a representative of the Kyrgyz Republic as a member of the EEC Council. The EIC's next meeting is to be held in Minsk.

Kazakhstan's foreign aid systems are maturing, integrating with foreign policy, says official

By Zhazira Dyussebekova

ASTANA – Not many know that Kazakhstan has been providing aid to other countries for the last two decades. A few years ago, the country adopted a law on official development assistance (ODA) and has subsequently launched two pilot projects with the international partners. Ministry of Foreign Affairs Foreign Economic Policy Department Director Olzhas Issabekov talked about those projects, as well as the establishment of the country's ODA system, in an interview with the Astana Times.

"The first project under Kazakhstan's ODA system was done in April 2017. It was focused on Central Asian countries and the agricultural sector. We implemented the project in partnership with Mashav, Israel's Agency for International Development Cooperation. The essence of the project was that Kazakh experts in the field of agriculture, in partnership with Israeli experts, transferred practical knowledge and skills to representatives of Central Asian countries working in agriculture. In fact, these were two-week seminars in Almaty and Akmola regions on the site of successful demonstration farms, where methods and subtleties, for example, of drip irrigation, were visually presented," he said.

Israel is one of the world leaders in the use of drip irrigation, which is why it was one of the partners of the project, he added.

The second project, focused on Afghan women, is currently being executed. The first part is complete, while the second is planned for late March – early April.

"The agreement on the project was reached at the highest political level in 2015 during the visit of Japanese Prime Minister Shinzo Abe to Astana, following which a joint statement was issued with President Nursultan Nazarbayev. One of the points of this statement is an agreement on the implementation of a pilot project under the Kazakhstan ODA system in partnership with Japan International Cooperation Agency (JICA) and the United Nations Development



Ministry of Foreign Affairs Foreign Economic Policy Department Director Olzhas Issabekov

Programme (UNDP)," said Issabekov.

The project aims to increase the economic potential of Afghan women. As technical assistance, it involves the transfer of knowledge and experience.

The project is co-financed by UNDP and JICA. Kazakhstan is contributing experts in the relevant fields who provide their knowledge and skills.

A group of Afghan citizens, mainly women involved in public administration and NGOs, came to Kazakhstan last July for the first part of the project. The training centred on state management and reform as well as interaction between state and non-state sectors.

The second section is related to healthcare of mothers and children, he said. The Afghan group will again fly to the Kazakh capital for classes.

Issabekov thanked Nazarbayev University, one of the main partners for the project. A large number of seminars and trainings were held on its campus.

"The project is unique. It is aimed at supporting an important country for us – Afghanistan; on the other hand, thanks to the partnership with UNDP and JICA, our experts enrich their knowledge and practical experience in the course of its implementation," he explained. "From the point of view of relations with Afghanistan, this project fits into the framework of the luggage of Kazakhstan-Afghanistan cooperation in the field of assistance and sustainable development, which already exists."

These two projects were implemented in the framework of the fledgling ODA mechanism in Kazakhstan.

Yet, at first, Kazakhstan had little experience in the ODA concept.

"After the collapse of the Soviet Union, Kazakhstan became an independent country, located in a region which, unfortunately, was facing issues requiring attention not only of these countries, but also its neighbours. Kazakhstan initially positioned itself as a responsible player and participant in the regional processes... Therefore, it is important to say that since the first days of independence, Kazakhstan has been providing necessary assistance," said Issabekov.

Prior to adopting its ODA system, Kazakhstan has already provided about \$450 million in aid during 20 years. A large proportion was for humanitarian projects.

"But we must admit that for a young independent state, providing assistance has become a new direction. Therefore, unfortunately we cannot say that it was always properly coordinated, that it was always possible to monitor the effective use of the resources and some other material benefits allocated by our country to those countries to which this assistance was addressed. All this led to understanding by the leadership of the country that since such an activity is conducted by Kazakhstan, it is time to put it on a systematic basis, as many countries in the world do, where this sphere is very structured and all processes are regulated," he added.

The first step was approving the Concept in the sphere of ODA, which was adopted by a presidential decree in 2013.

"The concept is a kind of algorithm, a roadmap for how we move, what actions need to be taken for Kazakhstan to have its own national system for official development assistance. One of the most important points of this document was the creation and adoption of the necessary legal and regulatory framework – the law," said Issabekov.

The Ministry of Foreign Affairs started from scratch, as Kazakh-

stan had no similar legislative acts. The law was preceded by painstaking work to study the legislation of other donor countries. The developers combed through the experience of European, American and Asian countries, adapting the concepts to Kazakh realities to create the law.

"And still, despite the fact that the law was signed in 2014, we receive positive feedback from foreign experts on the quality of our law. Its main advantage is its flexibility; that is, it can be used and applied in various circumstances. The world is changing; nothing stands still," said Issabekov.

The presidential decree of the main directions of the state policy in the sphere of ODA up to 2020 followed the legislation.

"For a specific period of time, the document sets guidelines for us practically in all areas that should be worked out when carrying out activities in the field of ODA. More precisely, it defines geography and sectors and sets benchmarks in the sources of financing, as well as the partners with whom we can work," he added.

Throughout the world, ODA is considered one of the most effective

between Kazakhstan and the country in question and its need for external development assistance. The most important criterion is the willingness of the country to specifically cooperate with Kazakhstan on aid issues.

"Therefore, at the moment we have identified for ourselves the countries of Central Asia plus Afghanistan as geographic priorities," said Issabekov, adding that the document also mentions Transcaucasia, Asia and Latin America.

"We are actively working to create a national operator in the ODA field under the Foreign Ministry, which is envisaged by the Concept in the field of ODA," Issabekov said. "This is the most common formula in the world. ODA activities are closely connected with foreign policy. So, the activities of such agencies should be clearly coordinated with the foreign policy department."

"The establishment of the Agency for the promotion of international development KazAID is a necessary and key element of the national system of official development assistance. This will solve a number of important daily tasks, in particular, relating to the inven-

Kazakhstan's ODA policy states various criteria should be applied when determining geography and partner countries. The first condition is the level of relations between Kazakhstan and the country in question and its need for external development assistance. The most important criterion is the willingness of the country to specifically cooperate with Kazakhstan on aid issues.

tive instruments of foreign policy and is largely tied to its priorities and tasks. In Kazakhstan, the main state policy directions are synchronised with the Concept of foreign policy and new state policy directions updated every four-five years.

Kazakhstan's ODA policy states various criteria should be applied when determining geography and partner countries. The first condition is the level of relations be-

tory, systematisation, management and coordination of ODA that was provided to partner countries in previous years and which will be provided by our country in the future," he added.

According to the diplomat, the absence of a national operator in the sphere of ODA reduces the effectiveness of work in this area, and the country does not receive in due measure political, economic and image 'dividends.'

ECONOMY

WEDNESDAY, FEBRUARY 14, 2018

Agriculture Ministry to digitise state agricultural services, conduct technology renewal

By Assel Satubaldina

ASTANA – The Kazakh Ministry of Agriculture is seeking to incorporate advanced agricultural technologies in the search for digital solutions to boost the nation's economy as it seeks to join the world's 30 most developed countries. Digitising state regulation and technological renewal are the two key tasks, according to First Vice Minister of Agriculture Arman Yevniyev.

Digitising the nation's agricultural complex is aimed at increasing productivity and efficiency through technology, as well as involving businesses in developing IT in the field. The ministry set up the digitisation office for that purpose, he said during a regular government meeting on Jan. 30.

The ministry currently provides



Arman Yevniyev

101 services, 62 of which are only partially automated. Plans are underway to switch 89 services to an automated format in the next two years.

Yevniyev noted the essential component in digitising agriculture is for companies and farmers to introduce new technologies. He emphasised the importance of using precision tools.

"Precision farming is a global trend today. Almost all regions have

farmers that bring precision agriculture components forward," he said.

Precision farming achieves greater productivity with fewer resources, as the use of satellite and computer technologies, including high precision positioning systems, sensors and autopilot steering systems, gives farmers the tools to construct a detailed picture of their fields and field variability.

More than 70 percent of agriculture equipment possesses at least one aspect of precision farming. The relevant measures are expected to decrease losses in the field by 25 percent, added Yevniyev.

The ministry is also planning to introduce a smart farms system that allows monitoring and controlling livestock, ensures automated management of greenhouses and keeps online records and an expense analysis.

"Smart farms entail minimal hu-

man contribution when it is more about robot systems managing all cycles of activities on the farm," he noted.

Farmers will also learn how to obtain meteorological data from international practices, he added.

The ministry plans to launch pilot projects in the Akmol and Karaganda regions and will continue to develop the electronic grain receipts system.

"Nineteen million tonnes of grain worth more than 627 billion tenge (US\$1.95 billion) were sold through this system in 2017; therefore, the system will be working and developing further," said Yevniyev.

The system currently includes on-line grain balance monitoring, statistics on grain prices, grain insurance and rating grain receiving facilities. It leaves no room to forge grain receipts and reduces expenses by 700

million tenge (US\$2.17 million) annually, according to the ministry.

As part of this year's system development, the agriculture sector will receive blockchain technology and the opportunity to order grain carriers online, said Yevniyev.

Work has begun to launch online trading by 2020, which will allow foreign buyers to purchase grain. This year, the ministry will develop a detailed logistics map of the agricultural complex including existing terminals, storages and distribution centres as well as those to be constructed.

"Digitisation will enhance competitiveness and labour productivity and ensure food safety and the flow of investments in the industry. In general, the economic effect will reach around 40 billion tenge (US\$124.4 million) by 2025," he added.

ECONOMY NEWS IN BRIEF

Under a new draft law, foreign banks will conduct all foreign exchange transactions in Kazakhstan in tenge, reported 24.kz. For this purpose, foreign branches are recognised as local ones and contract conditions concluded earlier will be retained. The changes are necessary amid Kazakhstan's accession to the World Trade Organisation and establishing the Astana International Financial Centre, according to Kazakh National Bank Deputy Chairperson Oleg Smolyakov. The effectiveness of foreign exchange control and counteraction to money withdrawal from the country will increase, he added.

More than 200 representatives of business, national companies and the Kazakh and Greek governments discussed new opportunities for trade and economic cooperation at the two countries' business forum in Astana on Feb. 5, according to 24.kz. More than 20 Greek companies working in pharmaceuticals, food industry, energy, digitisation and machine building spoke about their capacity and the participants considered the details of future joint projects. "We signed a document on cooperation with a Greek enterprise on entrepreneurship development. We will exchange information on the business opportunities and the investment climate of the two countries," said Kazakh Foreign Trade Chamber Deputy Chairperson Nuruly Bukeikhanov.

Card transaction volume reached a new record of 13.3 trillion tenge (US\$40.83 billion) last year, a 32.7-percent increase compared to 2016, reported ranking.kz. The cash-out transaction share, despite an increase of 23 percent to 10.7 trillion tenge (US\$32.85 billion), reduced the total card transaction volume. Cashless payments are actively developing; their share in the year-long turnover increased from 13.2 percent in 2016 to 19.5 percent at the end of 2017. The volume of electronic payments in 2017 doubled compared to the previous year, reaching 2.6 trillion tenge (US\$7.98 billion).

Twelve investment projects and 600 jobs were introduced in the Aktobe region last year, reported 24.kz. Most of the production facilities are in the Aktobe industrial zone and the estimated value of the new plants is 26 billion tenge (US\$79.82 million). The investment volume in the region's fixed capital was 437 billion tenge (US\$1.34 billion). A factory producing ceramic tiles and an enterprise to restore truck tires will open soon. "This year, we plan to implement 14 investment projects and provide 2,000 jobs. Investment volume reached 72 billion tenge (US\$221 million)," said Aktobe region industrial and innovative development department head Almas Munlykov.

Kazakhstan and China will implement 35 projects in trade, industry, science, education and tourism worth more than \$3 billion, reported kazakh-tv.kz. Representatives of more than 100 Chinese and Kazakh enterprises recently met at a business forum on attracting investments in the Khorgos International Centre of Cross-Boundary Cooperation (ICBC). "Zharkent and Khorgos signed an agreement on friendship. In addition, this year we plan to launch new facilities, such as a shopping centre, hotels and business centres. The construction of the shopping and entertainment centres has already begun," said Khorgos ICBC President Kakhman Dzhasin.

The government will continue the preferential car loan programme and allocate a third tranche of 8 billion tenge (US\$24.56 million), according to ranking.kz. In the first two tranches, 26 billion tenge (US\$79.82 million) was transferred from the National Fund to the banks on a return basis. The Development Bank of Kazakhstan (DBK), the programme operator, will involve six second-tier banks: ATF Bank, Bank CenterCredit, Eurasian Bank, Forte Bank, Halyk Bank and Sberbank. As of Feb. 1, DBK approved 10,200 car loan applications worth 40.1 billion tenge (US\$123.1 million). Of these, nearly 10,000 loans worth 39.3 billion tenge (US\$120.65 million) were issued to purchase vehicles by Kazakh automakers, disbursing the funds of the first two tranches by 151.3 percent.

AIFC to launch exchange, court and arbitration centre in 2018

By Yerbolat Uatkhanov

ASTANA – The Astana International Financial Centre (AIFC), which opened Jan. 1, is set to register companies and launch its exchange, court and arbitration centre this year. The main office will also be moved to the grounds of the EXPO 2017.

The AIFC office will not be the only venture on the campus. Nazarbayev University, Kazakhstan's leading educational institution, plans to present exhibitions. The International Centre for Green Technologies, which will operate under the Ministry of Energy, and the international IT start-up hub responsible for the Digital Ka-

zakhstan programme will also operate on the site.

"I would like to note that the AIFC is a territory and jurisdiction which are two floors of a special right field. The supreme body of the centre is its management board, chaired by the Kazakhstan President. The deputy chairperson of the council is the Prime Minister. The members of the council from the Kazakh side are the chairperson of the National Bank of Kazakhstan, the Minister of Finance, the Minister of National Economy and me. On the international side – President of European Bank for Reconstruction and Development Suma Chakrabarti, Chairperson of the board of Sberbank of Russia German Gref, Yandex CEO

Arkady Volozh and GP Morgan Chase International CEO Jacob Frenkel," said AIFC head Kairat Kelimbetov.

"But these bodies are only a small part of the centre. We assume that international companies will be located on the territory of the financial centre. We have five main areas of work – asset management, wealth management of individuals, the capital market, Islamic finance and new financial technologies. These are the most modern branches of the financial market which we plan to develop at the AIFC," he added.

Kelimbetov noted Kazakhstan is the first country in the Commonwealth of Independent States (CIS) to apply English common law to

such an extent. For Kazakhstan, this is not something fundamentally new; the government and Ministry of Finance have previously used it in their activities, issuing Eurobonds or signing contracts in the oil and gas sector.

Using English common law has been a keystone of the centre's operation, as the familiar legal process is expected to attract investors. Choosing English common law meant changes in the country, including its constitution. The AIFC management understands investors are looking for safety and as a result, approximately 50 laws have been adopted relating to the centre and corresponding changes were made to Kazakhstan's national codes.

Lord Harry Kenneth Woolf was named AIFC court chair in December and Kazakh President Nursultan Nazarbayev participated in the swearing-in ceremony for Woolf and his several English colleagues as judges of the court. Woolf is an international arbiter and mediator in financial law with extensive professional experience in the English, Welsh, Qatari and Hong Kong judicial systems. The names of the other judges have now also been revealed: Lord Edward Peter Lawless Faulks, Sir Jack Beatson, Sir Rupert Matthew Jackson, Sir Robert Raphael Hayim Jacob, Sir Stephen Price Richards, Andrew John Murray Spink, Thomas Christopher Montagu and Patricia Elizabeth Jean Willan.

Digitisation, nurturing favourable business climate among objectives

By Assel Satubaldina

ASTANA – Kazakhstan's government and National Bank will focus on maintaining macroeconomic stability; ensuring a favourable business climate; developing economic sectors, including digitisation; and developing transport and logistics infrastructure in 2018, according to a recent joint statement identifying the nation's macroeconomic objectives for this year.

The policies are eventually expected to keep the country's inflation rate within a 5-7 percent corridor in 2018, contributing to the nation's broader objective of bringing inflation down to 4 percent by 2020.

Kazakhstan finished 2017 with dynamic growth of 4 percent and a 5.5 percent increase in investment growth, all of which the government wants to keep up in 2018. In 2017, Kazakhstan's inflation rate was estimated at 7.1 percent.

Minister of National Economy Timur Suleimenov said the objectives are also meant to raise public awareness concerning macroeconomic and monetary priorities for this year. It takes into account the new tasks laid out in the January state-of-the-nation address by President Nursultan Nazarbayev, which focused on the nation's new opportunities amidst the fourth industrial revolution.

Among other priorities is preventing an unreasonable rise in prices, according to Suleimenov. "The government will pay particular attention to preventing undue growth of prices for food products and other goods, tariffs of monopolies as well as decreasing the possibility of an artificial defi-

cit, price fixing and unfair competition," noted the minister.

The digital component envisioned by the plan entails introducing fourth generation industry tools, such as Big Data, cloud technologies and 3D-printing.

The National Bank will continue its inflation targeting and floating exchange rate policies and at the same time will undertake measures to strengthen currency control.

As with previous years, this year's budget policy is intended to contribute to economic growth, further expand public and private partnerships and support state finance sustainability. All social obligations will be fully accomplished, he added.

Achieving project capacity of projects envisioned by the Industrialisation Map and increasing the share of high technology industries is expected to sustain economic growth, said Suleimenov.

The map has more than 150 projects worth more than 1 trillion tenge (US\$3.1 billion) planned for this year.

Three priority projects include the Prommashkomplekt railway-oriented wheels production plant in Pavlodar region, the Orga Glass casting production plant in Kyzylorda region and the Mareven Food Tien Shan plant in Almaty region belonging to Mareven Food Holdings, an international investment holding company that owns well-known brands such as Rollton and Big-Bon.

The government will also start working on a third five-year industrialisation plan that will focus more on the development of digital-era industry with innovation, transfer of technologies and digitisation of processing industry as focal points.

Government to devote \$61.4 million annually to develop AIFC

By Inga Seleznyova

ASTANA – Kazakhstan will devote approximately 20 billion tenge (US\$61.4 million) annually over the next three years to develop the Astana International Financial Centre (AIFC) and the centre hopes to attract up to \$40 billion in investments within the next 10 years, AIFC Governor Kairat Kelimbetov said recently.

He also said the AIFC plans to pay off investments in three to five years.

"As well as the world's leading financial centres created recently

in such cities as Dubai and Abu Dhabi, we plan to not depend on budget financing in three to five years, but to use the opportunities of private investments," Kelimbetov said.

Kelimbetov added that the AIFC isn't going to create crypto currency, because that is the prerogative of the National Bank. He also said many world leaders and financiers believe the crypto currency market is speculative and a big risk for investors.

"Investors can be divided into two types: professional, who invest a lot of money and are ready for their loss, and unskilled – those

who believe that if they lose money, this is a state problem," Kelimbetov said.

He also noted that it is very important to understand what a crypto currency is and who should work with it.

"It is very important to highlight that investments will not always grow. One day the bubble will burst, and a collapse will occur, but no one knows when this happens and the National Bank always stresses this when it comes to crypto currency, which is dangerous when the population is doing it because this is the risk for professional investors," he said.

New agreement allows to place bonds through Euroclear

By Yerbolat Uatkhanov

ASTANA – The Kazakh Ministry of Finance, the Astana International Financial Centre (AIFC) and Euroclear Bank SA (Euroclear) have signed a memorandum on cooperation to develop a new international clearing system. The ministry will be able to place tenge bonds through Euroclear, the world's largest bond clearing system.

"Providing non-residents direct access to the market of government securities through Euroclear will allow placing treasury bonds of the Ministry of Finance in more competitive conditions and potentially reduce the cost of borrowing due to the expansion of the investor base," said Kazakh Finance Minister Bakhyt Sultanov.

The memorandum defines the intention to work in partnership

to support creating a corresponding market environment and conditions for foreign investors in Kazakhstan's local securities through the Euroclear system.

The timing to connect Kazakhstan's debt market with Euroclear's settlement system is not specified.

A joint project on non-residents' access to government securities is expected to launch by the end of June. In the first half of 2017, non-residents bought a record amount of treasury bonds in tenge and National Bank notes worth \$603 million, increasing its portfolio in tenge by 10 times, according to regulatory statistics.

The main demand from non-residents is observed on financial controller's short-term notes, which represent 92 percent of all investments in Kazakhstan's public debt. The yield on government securities attracts foreign investors looking for the riskiest assets.

The average annual exchange rate of 331.22 tenge per U.S. dollar for January-November 2017 strengthened by 3 percent compared to the same period of the previous year. The weighted average yield in October on seven-day, monthly, three-month and biannual notes was 9.25 percent, 9.3 percent, 9.21 percent and 9.09 percent respectively.

The yield on annual notes in October was 8.73 percent. Kazakhstan's debt securities are issued by the state through the Ministry of Finance in the form of treasury bonds and the National Bank in the form of short, medium and long-term notes. As of Oct. 1, the state and state guaranteed debt was 12.9 trillion tenge (US\$37.8 billion), according to the Ministry of Finance.

The National Bank concluded a similar agreement Jan. 16 with Clearstream, a smaller competitor.

BUSINESS

WEDNESDAY, FEBRUARY 14, 2018

BUSINESS NEWS IN BRIEF

Bozshakol mining and processing plant produced 119,000 ounces (3,374 kilogrammes) of gold last year, almost two times more than in 2016, reported inform.kz. For the same period, ore extraction at the site increased 22 percent to 34.6 million tonnes, according to KAZ Minerals Group department of corporate relations. The processing volume grew 122 percent, from 11.1 million to 24.6 million tonnes of ore, while the average copper content in the processed ore decreased from 0.56 percent in 2016 to 0.53 percent in 2017. The production volume at Bozshakol in 2017 was 101,300 tonnes, compared to 48,000 tonnes produced in 2016. KAZ Minerals added copper production in 2018 is expected to be 100,000 tonnes.

A dairy farm in the Aktobe region uses genetic engineering to inseminate cows, reported inform.kz. "For the first time in Kazakhstan, we started using genetic engineering in insemination. The embryo is implanted in the cow, which speeds up the selection four times. We hope for high performance," said Ais board chair Marat Itegulov. The enterprise, in the Martuk district, also plans to implement a feed production project covering 1,780 hectares and plant and produce granulated alfalfa for export. The project capacity is 16,600 tonnes per year. "By 2020, there are plans to implement the second stage of the project – to build a dairy farm for 1,600 heads of cattle," said Ais director Kuanysh Ischanov.

In late January, Kazakh Tourism head Rashid Kuzembayev announced creation of a large entertainment complex in the Almaty region. The family entertainment centre will have six parts, including a large modern amusement park, water park, professional, scientific and ethno-park, spa and resort hotel and an 18-hole golf course, according to ism.kz. Construction is scheduled for 2019 and will be implemented in stages, with the phase one launch planned for 2020, according to company management. Active negotiations with potential partners are underway, it added.

Airlines in Kazakhstan are experiencing growth, reported kapital.kz. Air transportation revenues increased 27 percent in 2017, reaching 295.6 billion tenge (US\$907.5 million), 12.5-percent of the companies' total revenue compared to 10.5 percent in 2016. Passenger transportation grew 22.4 percent in the last year to 7.4 million passengers, while passenger turnover grew 29.9 percent to 14.4 billion passenger kilometres.

Kcell network data traffic reached approximately 188,000 terabytes in 2017, 58.5 percent more than the previous year, according to its website. "In 2017, Kcell company achieved significant progress in development of the 4G/LTE network. 4G/LTE services cover 49 percent of the population; at that, almost 40 percent of the general traffic of the company is now accounted for on the 4G/LTE network. In 2018, we will still strengthen our leading position in the market and increase process superiority," said Kcell CEO Arti Ots. With further network expansion, the company's efforts will be directed to new products development, he added.

PetroKazakhstan Oil Products' Shymkent Oil Refinery processed 4,686 million tonnes of oil in 2017, 326,000 tonnes more than planned, according to otyrar.kz. Petroleum product production was 4,388 million tonnes, including 279,700 tonnes of kerosene. The share of high-octane gasoline was 85.8 percent of the total gasoline volume, compared to the plan of 69 percent. The refinery completed phase one of its modernisation process in June, insuring petroleum product production corresponding to the K4 and K5 ecological classes. The renewal process is expected to be finished by September and the capacity of oil refining is set to increase up to six million tonnes per year.

Polpharma Group to invest \$37 million to digitise, automate Shymkent pharmaceutical plant

By Zhanna Shayakhmetova

ASTANA – Poland's Polpharma Group will invest an additional \$37 million to digitise and further automate production at its Shymkent Chimpharm plant in South Kazakhstan.

"The construction and modernisation of all major production facilities and auxiliary logistic sites have been completed at the Shymkent-based Chimpharm plant. The investment programme will now focus on new projects in the field of digitisation and automation of production and support processes, as well as projects in the field of management and quality control systems," said plant head Rustam Baigarin.

The main objectives of the investment programme are IT infrastructure development, production digitisation, improving quality control and quality assurance and developing new medicines.

Plans include constructing a new laboratory to upgrade the infrastructure and research and de-



velopment equipment as well as modernising logistics facilities. A new section of non-sterile solutions will be launched in March.

The long-term contract system with domestic producers, with a single distributor supplying medicine for health care needs, has operated in the country since 2009.

"The company signed five agreements for guaranteed supplies in medical institutions na-

tionwide. Long-term contracts allow investors to get contracted sales volume that stimulates the creation of new, modern and competitive pharmaceuticals. Investors also receive preferences through investment contracts with the Kazakh Ministry of Investment and Development. Soft loans issued by the Development Bank of Kazakhstan are provided for domestic producers. Various tools and mecha-

nisms were developed to support domestic producers and investors. These opportunities are useful for our company to obtain the greatest possible efficiency," he added.

The country is currently working to introduce the key elements of Industry 4.0. Digital production technologies will improve the activities of local enterprises and optimise production processes.

"We are pleased that the Polpharma Group is expanding its production in the pharmaceutical market by introducing innovative technologies. This is the fourth stage of modernisation. Thanks to additional reinvestment, new jobs will be created in the South Kazakhstan region," said Kazakh Invest South Kazakhstan regional director Dauletkozha Mamyrov.

The plant modernisation is being performed in accordance with Good Manufacturing Practice international standards.

Financing will also be provided to automate and digitise the main and auxiliary production processes, including Cloud HR (an innovative IT solution in personnel

management), smart warehouse management system at production sites, an automated accounting system for maintenance and repair costs, material and human resources management planning and automating production quality assurance.

The company employs more than 1,200 people and the staff took part in equipment manufacturing training at Polpharma Group enterprises abroad. The company has registered 115 medications covering 12 pharmacological groups and produces injections and infusions, tablets, capsules, sachet powders, aseptic powdered antibiotics, non-sterile solutions and syrups.

Polpharma Group, one of the top 20 leading manufacturers of generic medications globally, has six production plants, six research centres and employs more than 7,300 people. Sales volume is more than \$1 billion per year. The company's portfolio includes in excess of 600 products and more than 230 medications are being developed.

Bank loan portfolios decline for fourth straight year

By Frol Leandoer

ASTANA – The loan portfolio among Kazakh banks declined 12 percent, and assets 5 percent, in 2017. Fifteen of 32 banks operating in the country had a negative return on assets, reported finprom.kz.

By the end of 2017, the assets of the 32 banks reached 24.2 trillion tenge (US\$75.02 billion), 0.2 percent more than in November, yet 5.2 percent less than the previous year. To compare, the asset volume showed 7.5-percent annual growth in 2016 compared to 2015.

The most significant reduction in asset portfolio was in July – 5.2 percent compared to the previous month. January and February posted 1.3-percent and 1.4-percent reductions, respectively.

Among Kazakh second-tier

banks (STBs), Halyk Bank has the largest asset volume at 5 trillion tenge (US\$15.5 billion). It posted 2.7-percent growth last year, increasing its share among STBs from 19.1 percent to 20.7 percent.

Qazkom, with a volume of 3.5 trillion tenge (US\$10.85 billion), posted a 28.3-percent decline compared to the previous year. Its STB share decreased from 19 percent to 14.4 percent. The bank is in the process of consolidating with those who bought it, which could explain the drop.

Tsesnabank closes the top three, with 2.2 trillion tenge (US\$6.82 billion) and 3.5-percent growth for the year. Its STB share has increased from 8.1 percent to 8.9 percent. Tsesnabank is also consolidating, due to the acquisition of Bank of CenterCredit (BCC).

RBK Bank posted last year's sharpest decline in assets, falling

41.8 percent from 1 trillion tenge (US\$3.1 billion) to 594.3 billion tenge (US\$1.84 billion). Its share among STBs decreased from 4 percent to 2.5 percent.

AsiaCredit Bank had a 36.2-percent decline in 2017 from 253.7 billion tenge (US\$786.47 million) to 161.9 billion tenge (US\$501.89 million). Its STB share decreased from 1 to 0.7 percent.

At the end of 2017, the STB loan portfolio asset share was 56.1 percent (13.6 trillion tenge (US\$42.16 billion)). A month earlier, it was 56.5 percent (13.7 trillion tenge (US\$42.47 billion)), a 5-percent drop. At the end of 2016, the asset loan share was 60.7 percent (15.5 trillion tenge (US\$48.05 billion)), a 12.4 change.

The share of loan portfolio assets has been decreasing for four consecutive years from its 86.3-percent at the end of 2013.

Window factory utilises German technology

By Zhazira Dyussebekova

ASTANA – New apartment complexes are appearing in the city nearly every day. Thousands of new windows appear with them, a large proportion supplied by Funke Kunststoffe.

The German company is one of the leading manufacturers of plastic pipes, fittings and engineering systems in Western Europe. In March 2012, its window profiles production plant transferred to the capital. It manufactures its products using German technologies.

Initially opened with foreign investors, it is now fully Kazakh-owned. In 2013, the company participated in Business Road Map 2020, providing 70 percent of the financing from its own capital. Approximately 10.5 million euros (US\$13 million) was invested in the project.

"Our company has been operating in the Kazakhstan market since 2010 and we have been producing our products in Astana since 2012. We have considered different options, but finally realised that Kazakhstan has a favourable investment climate with great prospects for our production. We appreciate the measures that are being taken to support and develop business," said company director general Yegor Herlein.

He added Kazakh Invest provided constant assistance to implement the project and organise necessary meetings and negotiations.

The capital plant is equipped with the most advanced German technological equipment and laboratory, completely preserving production technology. European suppliers furnish raw materials and the quality of products manufactured under the Funke Kunststoffe trademark fully meets inter-

national standards, according to company's website.

The plant has an annual capacity of 7,000 tonnes, 60 percent for the internal market, the balance shipped to Russia. The facility is expanding exports to Kyrgyzstan and Uzbekistan.

"The first trucks were sent to Kyrgyzstan in December, while the first shipment to Uzbekistan is expected in March," said Herlein.

He added Funke Kunststoffe seeks to increase its production.

"Our company plans to increase the volume of production of finished products and to adapt our window systems to the sharp continental climate. We also plan to work closely with construction companies. Much attention will be paid to logistics; that is, we will provide the best service for our customers. Despite the high competition in the markets of Kazakhstan and Russia, we would like to retain German quality," he said.



National Business Roadmap helped create 17,000 SME jobs in 2017



Minister of National Economy Timur Suleimenov.

By Zhanna Shayakhmetova

ASTANA – More than 17,000 jobs were created last year as part of the Business Roadmap 2020 programme aimed at supporting the small and medium-sized enterprises (SMEs), said Minister of National Economy Timur Suleimenov at a Feb. 6 press conference in the capital.

Last year, more than 192,000 entrepreneurs received support from the business roadmap programme, which is 10 percent more than in 2016.

The interest rate subsidies on the loan portfolio and guaranteeing loans was 286.6 billion tenge (US\$888 million). Overall, 3,351 projects were supported, which is 10 percent more than in 2016. Around 276 grants worth 490 million tenge (US\$1.5 million) were allocated and infrastructure worth 12.1 billion tenge (US\$37 million) was provided for 25 projects. Nearly 74,800 entrepreneurs participated in training programmes.

"At the end of 2017, items worth 3.5 trillion tenge (US\$11 billion) were produced by project participants, more than 17,300 jobs were created and taxes in the amount of 217 billion tenge (US\$673 million) were paid," said Suleimenov, adding that small and medium-sized business development is a priority for the ministry.

This sector as the main source of employment and investment attraction is one of the main priorities of the ministry's activities. The direction includes streamlining regulations, improving the business climate, increasing access to finance, improving support measures and removing barriers in industry.

The draft law consisting of about 1,000 amendments for 100 laws and 13 codes was developed. It also includes the reformation of state control and supervision, the reduction of reports submitted by entrepreneurs, the reduction of frontal business costs, the elimination of exclusive rights of market entities that can impede competition and the improvement of Kazakhstan's position in the World Bank's Doing Business rating.

"The availability of business financing is of great importance. The Business Road Map 2020 initiative, the Productive Employment and Mass Entrepreneurship Development programme and loans provided by international financial organisations are the key tools here," he noted.

The creation of a single support measures platform is currently underway in cooperation with the Ministry for Investment and Development, the Ministry of Agriculture and the Atameken National Chamber of Entrepreneurs as part of the Digital Kazakhstan programme.

A list of 52 support tools have been identified and digitisation will make these tools accessible, reduce corruption risks in this sector and increase the coverage of business entities.

According to the Committee of Statistics, the number of businesses operating totalled 1,145,994 units last year. This indicator is 3.6 percent more than in 2016. Production also significantly increased with output totaling 14.4 trillion tenge (US\$45 billion) in a nine-month period, which is 28.5 percent more compared to 2016.

EDITORIAL & OPINION

WEDNESDAY, FEBRUARY 14, 2018

Kazakhstan's UN Security Council presidency marks significant step in country's development

In foreign policy terms, Kazakhstan can look back at many achievements over the last 26 years. It has forged, almost from scratch, excellent relations with nations across the world and is seen widely as a powerful model and principled campaigner against nuclear proliferation and for peace.

The friendships it has built and its commitment to peace and dialogue has enabled the country to play a remarkable role in helping bring sides together in disputes. Its continued commitment to the Astana Process, for example, provides opportunities for those involved in the Syrian conflict to try to find common ground. As the eventually successful international negotiations with Iran show, keeping the talks going even when difficulties seem insurmountable is vital.

It is a record which led to Kazakhstan making history by being elected onto the United Nations Security Council (UNSC) for 2017-2018. With Kazakhstan halfway through its two-year UNSC term and with the country having just completed its January presidency of the council, now is a good time to take stock of Kazakhstan's UNSC efforts and results so far.

It has certainly been a hectic time. Whatever criticisms might be levelled at the UNSC, lack of activity is not one of them. In 2017 alone, the council held 285 public sessions, including 163 open briefings. Nearly 30 debates took place with 67 votes leading to the adoption of UNSC resolutions. Twenty-seven presidential statements were also adopted.

Kazakhstan, as one might expect from a country

that has placed significant importance on the role of the UN ever since it became a member, played a full part in all these activities. It contributed, for example, to the adoption of 61 resolutions including as co-authors of 11.

Nor does the Security Council limit itself simply to debating issues in New York. Delegations last year visited Colombia, Haiti, Lake Chad and the Sahel as well as Addis Ababa for discussions with the African Union. The aim in each case was to gather information and promote dialogue to help ensure the right decisions are made and effective policies put in place.

It was, for example, at the request of Kazakhstan as president that a UNSC delegation visited Kabul last month immediately before a full ministerial debate on Afghanistan and Central Asia. The country's security, stability and prosperity was made a high priority for Kazakhstan for its time in the Security Council, and the visit and debate shows the determination to deliver on the promise.

Importantly, Kazakhstan made sure Afghanistan's challenges were not seen solely as a national problem but were discussed within a wider context. The interdependence of security and development, the need to think regionally about solutions and also calls for a more coordinated global response, including through UN agencies, for assistance to the Afghan Government and its citizens were all stressed. As Kazakhstan has often noted, only by tackling poverty and offering opportunities for a better life for people can lasting stability and hope be brought to Afghanistan.

Last month also saw a determined effort by Kazakhstan to set the foundations for faster progress in ridding the world of the threat of nuclear weapons – another of its main goals for its term on the UNSC. Kazakh President Nursultan Nazarbayev underlined his personal commitment by chairing a briefing at the UN during his visit to the U.S. on the need for confidence-building measures to assist non-proliferation of weapons of mass destruction.

During the discussions, UN Secretary-General Antonio Guterres singled out Kazakhstan as a practical and successful model to other countries considering turning their back on nuclear weapons. He also praised the Kazakh leader's own long contribution to this cause.

As the international community strives to find a fair and lasting solution to the dispute over North Korea's nuclear weapons programme, Kazakhstan's experience could prove invaluable. It is another sign of the country's growing importance on the global stage, which the last year has helped reinforce in a major way.

There is no doubt that the responsibilities of a seat on the UNSC and the work-load involved are high. But by providing additional opportunities for Kazakhstan to interact at the highest level as an equal, responsible and independent partner, both Kazakhstan's reputation and influence on the international arena are strengthened. The last month and this two-year term on the Security Council will be seen as an important period in Kazakhstan's evolution.

Agricultural sector ripe for development

By Akhylbek Kurishbayev

The tasks set by Kazakh President Nursultan Nazarbayev in his state-of-the-nation address to the people of Kazakhstan aim at bringing the country to a whole new level of development.

As is well-known, the global resources for extensive development are almost exhausted, and further growth is possible only by means of intensive factors, that is, through a maximum use of scientific achievements.

Speaking about the agro-industry, President Nazarbayev stressed the need for its development using new technologies.

Five years ago, at the Seifullin Kazakh Agrotechnical University, after a careful analysis of the best practices of advanced countries, we realised that it is not possible to solve the problem of technology transfer without creating a clear system for its implementation; and that we need to begin with the transfer of scientific knowledge, the embodiment of which would create the conditions for the development of science personnel of a new quality, as well as the training of professionals with new competencies, so that they will be the performers of practical tasks in technology transfer.

Today, we do not have such scientific and human potential. Based on this reality, we have developed our own strategy. We established a partnership with one of the world leaders in agricultural education and science at the University of California in Davis, USA which is well-experienced in the field of running educational and research systems reforms all over the world, and particularly in Chile, Malaysia, and China.

Based on recommendations, and with participation of researchers from this university, we developed our university's transformation programme into a research university.

At the same time, this idea was based on a project of establishing a research university on the premises of the Barayev Science and Production Centre for Grain Farming located in Shortandy Village; the project was developed and presented to the President in 2010.

Why should it be a research university? The answer is simple. Firstly, it is the shortest development path that has been tested in the world and produced great results in developed countries. Secondly, the research university model integrates the education, scientific research, knowledge dissemination and application processes into a single whole. Here the main character is the researcher who leads all these processes. Unfortunately, inconsistency of these processes results in a low influx of young professionals into agricultural sector, in lack of continuity in scientific schools, as well as the underdevelopment of systems for knowledge dissemination and application.

Currently, we are working on the implementation of the above-mentioned programme. First of all, as part of knowledge transfer we became proactive in training and improving the skills of our researchers and teachers in the world's leading research and training centres.

The next stage of this work is to upgrade the educational curriculum. With the help of trained staff and professors from the University of California in Davis we have developed and implemented six new



curricula. Soon, we are planning to develop and implement 62 more such programmes. As a part of the process of education reform, we strengthened the practical focus of teaching. In particular, the duration of students' practical work has been extended from three to seven months. For the agricultural area of concentration, the training period matches with the season of agricultural works. Four technology platforms were arranged at the university campus, which have also been supplied with modern equipment for meat, milk, grain

Agrarian universities with their systematic transformation are able to become an important tool in solving the problems of technology transfer. We proved this out. To continue these reforms, it is necessary to increase the cost of state funding for agricultural majors up to the level of national universities.

and oilseeds processing, as well as for greenhouses, robotics laboratories and GIS technologies.

The second direction of our focus is the transformation of the university's science system. Within these years we have supported the training of 42 people under the Bolashak programme, prepared dozens of researchers of a new formation capable of conducting scientific research at the gene and molecular levels. Currently, some of these researchers, along with their colleagues from Australia, are implementing a scientific project to increase the drought and stress resistance of local varieties of wheat, barley and chickpea using genetic engineering techniques. And our biotechnologists have fully mastered a modern method of producing biological test systems for diagnosing especially dangerous infectious animal diseases in a digital format.

The third direction is the creation of a technology transfer system. We have established five centres of international cooperation with international partners and owners of technological innovations for the transfer and adaptation of technology. At the same time, instead of spending budget funds for these purposes, we were able to attract foreign investments of around 1.2 billion tenge (US\$3.7 million). On the basis of these centres the scientific work is under way to adapt new technologies while delivering ready-made solutions to introduce into production. Moreover, our students have their studies here. Our partner, who has invested in the creation of the transfer and adaptation centre of Belarusian technologies, in addition to this, funds the training of around 50 students annually at Belarusian universities and machine-building plants.

So far, the centres are already demonstrating some good results. In particular, last year the GIS technologies centre, created jointly with South Korea, became the associate contractor of the state contract on satellite monitoring of harvesting in the main grain-producing regions of Kazakhstan. Currently, a decision has been made to include it as an associate

contractor in the satellite monitoring of natural resources across the territory of Kazakhstan. In addition, this centre carried out the digitisation work of agricultural plots in the Tselinograd district of the Akmola region using its own resources and capacities. In the future, this database, when compared with satellite imagery, can be used to run an operational control over the activities of each land user in the area by parameters such as the appropriate use of the land plot, observance of crop rotations, susceptibility of crops to diseases and pests, as well as the course of sowing and harvesting campaigns.

At the International Chinese Technology Transfer and Adaptation Centre established using the funds of Chinese partners, we have launched joint projects of adapting to local conditions 40 species and varieties of drought- and salt-resistant wood cultures of Chinese selection that can be used to solve existing problems of the "Green Belt of Astana," as well as high-yield varieties of grain crops and potatoes.

Today, we see the great perspectives of "precision agriculture" technology. Its implementation not only offers the farms huge savings in material- and technical, labour and financial resources, but also ensures high productivity and environmental sustainability of the production. At the Precision farming centre, created on our territory and with the financial support of our German partner, our researchers have fully worked out the elements of this technology, so today we are ready to replicate them throughout the country.

Another aspect that plays a leading role in the accelerated development of agriculture is the knowledge dissemination. Last year, with the support of foreign partners, we created in our university the office for knowledge dissemination, which aims at developing farmers' practical skills of complex and innovative decision-making. With support of UNDP and in partnership with Astana EcoStandart, Greenhouse Complex LLP, we organized a greenhouse farm, where more than 200 first-time and proactive entrepreneurs have been trained. Moreover, an aquaculture and fish farming school was launched, covering about 100 entities from fish industry in a hands-on mode. I want to note that today the demand for such training by the business structure has dramatically increased, and we intend to develop it further.

Analysing our past work, today we can state with complete certainty that agrarian universities with their systematic transformation are able to become an important tool in solving the problems of technology transfer. We proved this out. To continue these reforms, it is necessary to increase the cost of state funding for agricultural majors up to the level of national universities.

Carefully studying the key messages of the address of the head of state regarding the development and problems of agro-industrial sector and agricultural science, our university's community is proud to note that they have been consonant with all our efforts in recent years aimed at systemic transformation of the educational and scientific research process to solve the practical problems of technology transfer. And this gives us confidence and a powerful stimulus to continue working on our plans.

The author is Rector of the Seifullin Kazakh Agrotechnical University and a former Minister of Agriculture of Kazakhstan.

Review of Kazakhstan's Presidency of the UN Security Council

Kazakhstan held the presidency of the UN Security Council in January 2018. During the month-long presidency, Kazakhstan delivered several notable results, and remained focused throughout to advance international peace and security. During Kazakhstan's Presidency, the UNSC achieved progress in a series of questions.

Kazakhstan's Results as UNSC President include:

21 Public Meetings
Kazakhstan held public meetings on Iran, DR Congo, Colombia, Darfur, West Africa, WMD Non-proliferation and CBMs, & the Middle East.

1 Private Meeting
Kazakhstan convened a private meeting on the United Nations Peacekeeping Force in Cyprus.

11 Consultations
Kazakhstan convened consultations on the Middle East, DR Congo, Syria (chemical), Colombia, Darfur, West Africa and Sahel, Cyprus, UNRCCA, Somalia, & Syria (humanitarian).

2 Thematic Meetings
Kazakhstan held a thematic meeting on "Non-proliferation of WMD: confidence-building measures" and a Ministerial debate on Afghanistan and Central Asia.

The Outcomes of Kazakhstan's Presidency include:

2 Resolutions
The UNSC adopted resolutions #2398 on extending mandate of UN Peacekeepers in Cyprus & #2399 on extending sanctions regarding the situation in the Central African Republic.

4 UNSC Presidential Statements
The UNSC adopted statements on seeking violent-free world by UN centenary, building regional partnership in Afghanistan and Central Asia, West Africa and Sahel, Darfur.

12 Press Statements
The UNSC adopted four press statements on Afghanistan, two on each DR Congo and Mali, one on each Colombia, Liberia, Somalia, & UN Regional center for preventive diplomacy in Central Asia.

1 First UNSC visit to Afghanistan since 2010
The mission to Afghanistan included a record number 11 Permanent Representatives, 2 Chargé d'affaires, 1 DPR, and 1 Political Coordinator.

A New UNSC Tradition
Kazakhstan introduced Flag Installation Ceremony of newly elected non-permanent members of Security Council at entrance of UNSC Chamber, which will become annual tradition each January.

ACHIEVEMENTS:

- ☑ Transparent Presidency with press elements after each consultation;
- ☑ 2 Resolutions, 4 PRSTs and 12 press-statements;
- ☑ Unique PRST on conflict prevention and preventive diplomacy at the regional level as well as PRST on advancing regional, interregional and international cooperation to achieve long-term peace, stability and sustainable development in Afghanistan and Central Asia.

THE ASTANA TIMES

Editor-in-Chief: Roman Vassilenko

Moscow Business Centre, 18 Dostyk Street, Office 33, Astana, 010000

Telephone/Facsimile: +7 7172 78 00 08

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 "Kazakhstanskaya Pravda". Published biweekly, the size of 8 pages.

ORDER: 213

PRINT RUN: 6,000

OPINIONS

WEDNESDAY, FEBRUARY 14, 2018

Green Bridge Partnership Programme offers tool for Paris Climate Agreement implementation

By Dr. Bakhyt Yessekina

President of Kazakhstan Nursultan Nazarbayev, in his state-of-the-nation address earlier this year, as a priority, underlined the importance of increasing requirements for energy efficiency and energy saving by enterprises, as well as the environmental friendliness and efficiency of the energy producers themselves. The implementation of this objective requires the enhancement of environmental and energy programmes at the national and regional levels and strengthening international cooperation in these areas. A dynamic acceleration to this process was the successful holding of the EXPO 2017 and Kazakhstan's participation in the Paris Climate Agreement.

As is known, the 23rd UNFCCC Conference on global climate change (COP-23) was held in Bonn on Nov. 6-17, 2017, where all countries agreed that climate change is a real challenge for the world economy. Numerous activities of COP-23 were discussed, including low-carbon initiatives and successes at the level of sub-national actors: states, provinces, cities, companies and associations. Successes of low-carbon development and examples of solving climate problems were demonstrated.

For other Kyoto mechanisms that exist up to 2020 – Clean Development Mechanisms (CDM) and Joint Implementation (JI), – they are yet to be recommended for use, but with a number of features in the new context of the Paris Agreement. Now, emission-buying countries (mainly developed countries) must adopt nationally defined goals, and their projects will be considered primarily as a tool for promoting business and technology and not as an instrument for acquiring emission reduction units.

Future implementation mechanisms can encompass a wider range of activities that contribute to reducing emissions and sus-



tainable development in general. Accounting for activities can be, in particular, financial resources transferred for action in another country.

It should be noted that the costs of reducing of greenhouse gas emissions for different countries and sectors of the economy will be different. Those countries where economic growth is traditionally provided by the development (expansion) of industries with high specific emissions, more significant structural and technological changes will be required, and hence more time for transition to a low-carbon development model.

World experience demonstrates that the transition to low-carbon development at the first stage will require significant financial costs. In terms of value, measures on reduction of greenhouse gas emissions include: the costs of developing and implementing high-performance, climate-friendly technologies that reduce emissions, and consumers' costs of switching from goods and services whose production and/or consumption involve significant greenhouse gas emissions, to low-emission products and services. Together, these costs and expenses are estimated to average 1 percent of global GDP and, in the worst case scenario, 3.5 percent of global GDP. It should be noted that under certain scenarios, measures on reduction of greenhouse gas emissions on a global scale may not lead to a decrease, but, on the contrary, to additional GDP growth. Costs can be further reduced by increasing energy efficiency, demand management as well as through the use of energy-saving technology

in the production of energy, heat and in the transport sector.

For the most developed and richest countries the agreement will optimise their financial and technological role in the global effort. As for the less developed countries, but with a large carbon potential, such as China, Brazil, Turkey, the financial component of agreement is secondary for them, since international assistance is relatively small or approximately equal to their help to weaker states. The economy of these countries depends significantly on the global trend on development of low-carbon, and, to a large extent, they shape it by themselves, especially China.

GBPP allows to create more trustful business environment, to involve additional parties for mutually beneficial solutions of problems, i.e. go out in search of solutions beyond the limited formats of regional agreements (IFAS, ICWC, etc.).

For Eastern Europe, Caucasus and Central Asia (EECCA), then for the Trans-Caucasian countries, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, the agreement should be a powerful factor of international support; and for Russia, Belarus and Kazakhstan, it should help their integration into the global investment process and encourage a deep modernisation of economy structure.

International experts have identified at least three trends within the framework of the Paris Agreement, which now underpin and strengthen its implementation.

Firstly, planning the development of economy and energy taking into account possible changes in the 2020-2040. In many cases, it leads to delays in the approval of international and national projects while maintaining the current situation would have been profitable.

Second, introduction of carbon

price (fees for greenhouse gas emissions in a particular stimulating form), carried out or expected in the future, which shifts the competitiveness of various projects and trade flows. This is clearly demonstrated by the results of bilateral meetings of major issuers (China, the U.S., the EU and India).

Third, a global trend towards choosing low-carbon solutions, if they are not more expensive than traditional solutions, when the planning horizon is set for 20-30 years. This is clearly confirmed by signing partnership deals and the choice of investment options in virtually all countries of the world and in state and private

companies in all sectors of economy.

ment, financial support and tools. The famous environment partnership initiative presented by Kazakhstan on the global level is the Green Bridge Partnership Programme (GBPP) proposed by President Nazarbayev at the 66th Session of the UN General Assembly in 2011. This initiative was entered to the final declaration of the UN Summit in 2012. The GBPP was also supported at the sub-regional conferences by ESCAP, UNECE, ISESCO and was supported by more than 120 states of Europe, Asia and the Pacific. The reason for this interest in the GBPP is its potential to support the transition to a green economy and sustainable development, including the following.

The international status establishes a more reliable political and legal framework for long-term green investments and additional guarantees for investors in conditions of political instability in countries with economies in transition. Agreements on projects that have been granted a status of the GBPP – between countries and investors – must be long-term, and international agreements must not depend on changes of governments, decision-makers or withdrawals from international agreements (similar to agreements of UN, EU, WB, etc.).

It establishes a broader regional and inter-sectoral basis for mutually beneficial cooperation (water-energy-food-climate). Within the GBPP, there are mutually beneficial regional agreements between countries on inter-regional green business and trade with maximum productivity of water, energy, land or in sharing ecosystem services among Eurasian countries, for example, within the framework of the Belt and Road Initiative.

It allows to create more trustful business environment, to involve additional parties for mutually beneficial solutions of problems, i.e. go out in search of solutions

beyond the limited formats of regional agreements (IFAS, ICWC, etc.).

It creates a more professional basis for analytical work and searching for best solutions through participation of authoritative and internationally recognised experts of the GBPP, working groups, including elimination of cases of lobbying for "dirty" technologies, equipment or environmentally unfriendly programmes and laws.

It provides a special status of international expertise of projects and technologies that have a status of the GBPP – international, professional and neutral. This expertise will substantially complement the capacity of local, national and regional organisations in the interests of saving budgetary and other resources as well as to prevent mistakes in implementing green reforms, procurement, etc.

Presently, the GBPP Charter has been signed by 16 countries and 16 NGOs from Kazakhstan, Russia, Finland, Kyrgyzstan, Germany, Austria, Turkey, Estonia, Uzbekistan and Tajikistan.

The GBPP and Paris Climate Agreement have a common goal – the need to find joint solutions to the problems of the transition to low-carbon development and adaptation to climate change. Reducing greenhouse gas emissions and environmental pollution is one of the main areas of the GBPP at the global level.

In this regard, Kazakhstan could re-start activity in GBPP promotion in terms of the Paris Climate Agreement implementation and to suggest to UNFCCC to register this global Partnership. This step will allow Kazakhstan to strengthen cooperation with global financial institutions and to join Dialogue-2018 in terms of COP-24.

The author is a member of the Green Council under President of the Republic of Kazakhstan, Director of the Green Academy Scientific-Education Centre.

What Nazarbayev Hopes to Achieve

By Santosh Kumar

The 10 priority tasks that President Nursultan Nazarbayev announced on Jan. 9 indicate that the statesman is in a hurry to modernise Kazakhstan. The resourceful leader knows that his developing Central Asian republic cannot afford to lag behind if it is to achieve his goal of becoming one of the top 30 economies of the world by 2050.

Digitisation, information and technological solutions, intelligent systems and smart cities are the current buzzwords, and he liberally peppered his address to the nation with those catchy terminologies as he pushes ahead with his agenda of making his country a better place for its 18 million people to live in.

In the 26 years since independence, Kazakhstan, under Nazarbayev's leadership, has transformed itself at a dizzying pace, ridding itself of the shackles of the Soviet system. But the big question, as it embarks on a period of crucial development, is how quickly its official agencies can carry out his vision for progress.

Words alone cannot work wonders. They have to be followed by constructive action.

It is obviously a Herculean task to transform the country into an efficient, first-world entity. But one huge factor in favour of Nazarbayev is that Kazakhstan is the most notable and stable country in the region. While the likes of Afghanistan and Pakistan continue to be gripped by internal turmoil and Kyrgyzstan and Tajikistan make slow growth, Kazakhstan has shown that it is politically stable and unaffected by the influences of hard-line Islam.



Moreover, it is led by a person who has managed to keep the country united for nearly three decades with his commanding approach and timely decisions. He has also displayed that he has the charisma and persuasive powers to resolve and rise above regional disputes, like the one which reared last year with Kyrgyzstan when the outgoing Kyrgyzstani president Almazbek Atambayev made unprovoked remarks about Nazarbayev. Bilateral relations are back to normal after Nazarbayev held talks with Sooronbay Jeenbekov, the new leader of Kyrgyzstan.

That Nazarbayev was granted a meeting with U.S. President Donald Trump in January this year is a sign that he is respected and taken seriously by the Western world which knows that it is not easy to lure Kazakhstan away from its long-term reliance on its big neighbours Russia and China. The White House is aware that U.S. businesses still have room to operate in that environment without fear or prejudice and it can count on Nazarbayev to help settle differences in the region.

Nazarbayev's visit to Washington, D.C. and New York took the strategic partnership between the two countries to a new level. The two presidents discussed possibili-

ties of expanding trade and investment as well as creating new jobs. There is a mutual interest in energy, aviation and engineering as well as cooperation in technology. About 20 agreements were signed worth US\$7 billion in these and other areas.

Already, Chevron has pumped billions into the Tengiz and Kashagan fields and the U.S. giant has announced that it will spend another \$3.7 billion in an exploratory programme in Kazakhstan this year. General Electric, the other American biggie, is also slated to build 700 locomotives for the Kazakhstan railway company and provide digital logistics systems for the country's entire rail network.

The visit to the U.S. came at an important time for Kazakhstan as an international player. On Jan. 1, Kairat Umarov, the Kazakh ambassador to the United Nations, took over the presidency of the UN Security Council, which rotates monthly. Kazakhstan was the first Central Asian country to be elected to preside over the 15-member entity and on Jan. 18 Nazarbayev addressed the meeting of the Council – mainly stressing the non-proliferation of weapons of mass destruction and relevant confidence-building measures – which heads of state and ministers attended.

All these are pluses for Nazarbayev, who has to deftly position his country in a manner that does not antagonise any of the three superpowers – Russia, China and the U.S. – which have interests in Central Asia.

Oil is vital for Kazakhstan, as much of its revenues come from the export of this energy source and gas. Due to the slump in oil

prices, the tenge has depreciated by as much as 54 percent in the past five years. With the price of oil expected to surge in the coming years, Kazakhstan, with a per capita GDP of \$7,510, could reach high-income country status within a decade thanks to its wealth of Caspian Sea oil, according to a World Bank report published last month.

However, Nazarbayev is not focusing on oil alone, a point he made abundantly clear in his speech on Jan. 9. He is targeting other sources such as transportation, logistics, financial services, agriculture and tourism to boost the country's incomes and make it a global player.

China's Belt and Road initiative (BRI), a move to revive the centuries-old Silk Road, has come as a boon as most of the routes pass through Kazakhstan. Already, the Asian giant has spent millions on the development of Khorgos, in south Kazakhstan, which is the gateway for the cheaper and faster rail transportation of Chinese goods to Western Europe.

Nazarbayev understands that the BRI is a game-changer and so Kazakhstan is eagerly embracing this ambitious project. By hitching itself to the development strategy put into motion by China's President Xi Jinping, Kazakhstan hopes to leverage its strategic location between China and Russia and proximity to Western Europe, increase its trade ties with China and diversify its economic structure away from dependency on oil by catalysing a "third wave of modernisation" through the acquisition of advanced technologies and upgraded infrastructure.

Therefore, it evoked no surprise when Nazarbayev spoke about

digitisation of production processes, development of modern business models and introduction of new technologies during his address to the nation.

In recent years, the Kazakhstan government has spent hundreds of millions of dollars on real estate projects and green energy initiatives. The staging of EXPO 2017 was a signal to the world that Ka-

Nazarbayev is not focusing on oil alone, a point he made abundantly clear in his speech on Jan. 9. He is targeting other sources such as transportation, logistics, financial services, agriculture and tourism to boost the country's incomes and make it a global player.

zakhstan wants to champion the development of sustainable future energy solutions from which it would gain. The setting up of the Astana International Financial Centre is a move to project the country as a regional financial hub along the lines of Dubai and Singapore.

There are also mega plans to turn Astana and Almaty into smart cities by installing better transportation and providing smoother services. The extension of the metro in Almaty is in the cards; so, too, is the construction of office buildings in the capital. For a long time, Nazarbayev has also had the foresight to invest in the education of managers and engineers, which are important tools needed to build and change the country. In his address, he also spoke about giving emphasis to the development of human capital.

All these are in line with the

priorities set by the government in its multi-year investment strategy, which targets a 30-percent increase in foreign direct investment into Kazakhstan by 2022.

Nazarbayev may well be able to carry out his plans, as he continues to be hugely popular. He remains a strategic decision-maker. Last April, he set in motion, through a newspaper article, the move to

modernise Kazakhstan's identity, including by replacing the Cyrillic-based script with the Latin-based one for the Kazakh language. It underlined his desire to modernise the economy and encourage more foreigners to learn Kazakh.

He continues to tackle corruption vigorously. As he drives his nation towards first-world status, Nazarbayev will have to ensure that indiscretions by officials are legacies of the past. It is important that Kazakhstan is not buffeted by negative reactions and sentiments, as this year will be decisive for the success of Nazarbayev's policies.

The author is the honorary secretary of the Singapore Press Club and editor of the Singapore news website insiderecent.com. He has been fascinated by Kazakhstan since he first visited the country in May 2015.

EURASIA&WORLD

WEDNESDAY, FEBRUARY 14, 2018

Kazakh-Malaysian relations are strong after 25 years, says Malaysian ambassador

By Assel Satubaldina

ASTANA – One year after celebrating their 25th anniversary of diplomatic relations, Malaysian Ambassador to Kazakhstan Syed Mohamad Bakri recently told The Astana Times the two countries have built strong and friendly ties. He also discussed the current state of relations, possibilities to deepen cooperation and similarities between the nations.

“Relations have been very strong, friendly and brotherly between Malaysia and Kazakhstan. Kazakhstan is a very important country for us. In Central Asia, Kazakhstan is the main country [for us] and we have very strong political relations at the highest level, as well as between the ministers and officials,” said Bakri.

Kazakh President Nursultan Nazarbayev made an official visit to Malaysia in 2012, meeting with the nation’s Supreme Ruler and 14th King, Sultan Abdul Halim Muadzam Shah, and Prime Minister Najib Tun Razak.

Najib visited Kazakhstan two years later. The trip strengthened ties and opened a new chapter in developing bilateral cooperation.

The solid Kazakh-Malaysian partnership also traverses the multilateral frameworks, including the Organisation for Islamic Cooperation (OIC) and Association of Southeast Asian Nations (ASEAN).

“You are now a member of the United Nations Security Council and we were a member in 2015-2016,” said Bakri.

The Malaysian outlook is similar to Kazakhstan’s, as the nations value moderation and seek to achieve peace and friendly ties.

“Kazakhstan also champions dialogue between civilisations and zero tolerance for terrorism



Malaysian Ambassador to Kazakhstan Syed Mohamad Bakri.

and Malaysia is also like that, a very moderate country. That is why Malaysia and Kazakhstan are very good friends,” he added.

Cooperation is dynamic at all levels. The trade turnover was \$44.7 million in 2016, rising to \$69.4 million the following year.

“It also trickles down to private sector people and businesses from both countries. It has been very strong,” noted Bakri.

The main exports to Kazakhstan include manufactured goods, electronic goods, palm oil and palm-based agricultural products, as Malaysia is the world’s second largest palm oil producer. Imports from Kazakhstan include metals, iron and steel products.

Last summer’s EXPO 2017 in the capital served as a “catalyst,” expanding business contacts among other positive results.

“During the expo, a lot of memorandums of cooperation were signed between Malaysian and Kazakh companies and now my job here is to assist those Malaysian companies to translate those memorandums into real cooperation on the ground,” he said.

Several Malaysian companies have been successfully operating and investing in the Kazakh economy. Malaysian-controlled Steppe Cement, a leading cement producer in Kazakhstan, has its plant in Karaganda.

In March 2016, Malaysia’s Reach Energy purchased a 60-percent stake in Emir-Oil Fields, the company that controls the oil and gas producing blocks in Mangistau region. The company now owns and operates 54 oil and gas wells and seeks to increase the number to 86 by 2026.

Malaysian companies are willing to come to Kazakhstan.

“But at the same time, it also depends on whether Kazakhstan is in need of particular technologies. Maybe we have technology and expertise, but maybe it is not something that Kazakhstan requires. It needs to be a match between both,” said Bakri.

Islamic banking can be among those matches, as Malaysia is regarded as a pioneer in Islamic banking and finance and the country is ready to share its experience with Kazakhstan, he added.

Astana International Financial Centre (AIFC) Governor Kairat Kelimbetov attended last year’s World Islamic Economic Forum in Kuching, Malaysia, that gathered 2,500 delegates from 75 countries. He met with the Malaysian Prime Minister, chair of Maybank Islamic and top management of GreenTech Malaysia and Future Innovation Council specialising in green and finance technologies. Kelimbetov noted Kazakhstan is willing to intensify cooperation with Malaysia in Islamic finance, one of the key directions of AIFC’s work.

“There have been discussions between Malaysian bankers and AIFC on having stronger cooperation in Islamic banking,” he said.

Bakri noted Malaysia is also interested in importing Kazakh meat due to its high quality.

“Your beef and lamb are actually of a very high quality because your agriculture is organic. You have so much land and animals

are roaming around, so the quality of your meat is very good,” he said.

The challenge, however, is the geographic distance between the countries, an “unfortunate obstacle” that increases costs, he added, making it less competitive with meat from Argentina, which is transported by sea.

Though the distance might inhibit trade, it is not the case in tourism, as more and more Kazakh citizens are choosing Malaysia as a holiday destination. The year-round warm weather and tropical climate, a number of adjoining islands and location near to the sea make the country an attractive tourist destination. The availability of direct flights, including the Almaty-Kuala Lumpur route operated by Air Astana since 2011, and a visa-free regime allow Kazakh citizens to stay up to 30 days without a visa.

In 2016, 9,222 Kazakh citizens travelled to Malaysia and 10,271 visited the country last year.

Though the numbers are not the same for the other side, Bakri believes Kazakhstan’s tourism potential is big, but in need of bigger promotion. Hosting international events can drive the numbers up.

“The international events that you have been hosting, for example, the expo, where there were a lot of Malaysians, was a good way to introduce Kazakhstan to the world, including Malaysia,” said Bakri.

Malaysia is equally popular among Kazakh students due to its English-language instruction and quality of education equal to the U.S. or U.K., but at a lower price, the diplomat said. Last year, 1,064 Kazakh students were studying in Malaysia and to date, more than 18,000 have graduated.

EU, EBRD programme offers services to Central Asian SMEs

By Yerbolat Uatkhanov

ASTANA – A new Regional Small Business Programme (RSBP) launched by the European Union (EU) and European Bank for Reconstruction and Development (EBRD) in Almaty Jan. 30 will provide online training and knowledge-sharing platforms for small and medium-sized enterprises (SMEs) in the Central Asia region.

“Training programmes for micro, small and medium-sized enterprises’ (MSME) finance have been hugely popular with financial institutions in Central Asia. The RSBP will not only employ modern technologies but will also target wider audiences in multiple locations across Central Asia, making it a better and more efficient programme for MSME financiers,” said head of the EBRD office in Kazakhstan Agris Preimanis.

“Access to finance remains one of the major challenges for small and medium-sized enterprises in Kazakhstan and strengthening them is crucial for innovation and diversification of the economy. The approach has proven very successful in other regions where the European Union has had such projects with the EBRD and I am confident that we will get similar results in Kazakhstan,” said EU Delegation to Kazakhstan Chargé d’Affaires Zoltan Szalai.

The EU finances the project, with the EBRD managing it. The programme aims to equip financial institutions in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan with new digital business tools

which make operating small companies more effective and profitable.

Project developers will transfer know-how and technologies in MSME finance. Senior representatives of the EU, EBRD, Kazakh government, Kazakh National Bank, various international organisations and regional financial institutions took part in the opening ceremony.

Experts believe the project will help local financial intermediaries with systematic digital access to EBRD’s experience. Employees of Central Asian region partner banks will be trained on different topics to improve providing their services to SMEs. In the future, the digital platform will be transformed into an online learning system more widely available to financial institutions in the region.

The project will be implemented by Internationale Projekt Consult GmbH, a German consulting company which has already executed similar projects in the Central Asian region. Damu Entrepreneurship Development Fund, which has been operating in all Kazakh regions for many years, will become a key partner.

“The digital platform launched today will be used for knowledge-sharing, training and skills assessment of staff working in the financing of micro, small and medium-sized enterprises. It will help financial sector professionals to better understand the principles of selection and development of projects for provision of financial support aimed at the development of businesses,” said Damu Entrepreneurship Development Fund chairperson Abai Sarkulov.

Atlantic Council panel discusses Nazarbayev’s visit to U.S.

By Zhazira Dyussebekova

ASTANA – Kazakh President Nursultan Nazarbayev’s latest visit to the United States, its assessment and outlook were discussed Jan. 26 at the Atlantic Council in Washington, DC.

The discussion also included implications for bilateral relations and broader international and regional issues, including Afghanistan and nuclear non-proliferation.

Kazakhstan’s Ambassador to the United States Erzhan Kazykhanov stated that Nazarbayev and U.S. President Donald Trump in their recent meeting reaffirmed the independence, territorial integrity and sovereignty of Kazakhstan as well as its role in advancing global peace and prosperity.

“These meetings have also reaffirmed our country’s commitment to fostering our cooperation in many areas of mutual interest, such as global politics and regional integration, defence and security, trade and investment, strategic energy dialogue, cultural and humanitarian links, people-to-people relations, et cetera,” he said, adding that the adoption of the document entitled “United States and Kazakhstan: an Enhanced Strategic Partnership in the 21st Century” not only outlines the goals and priorities of bilateral cooperation but sets a long-term vision to advance global peace and prosperity.

“As noted in the course of bilateral discussions at the White House and Naval Observatory [which serves as the official residence of the U.S. Vice President], Kazakhstan remains strongly committed to the promotion of global peace and stability as an elected member of the UN Security Council and I would like to mention that Jan. 18 President Nazarbayev presided over the Security Council meeting at the UN headquarters that was devoted to the issues



related to non-proliferation and confidence-building measures,” he said. “In this context, we will continue to champion the cause of nuclear non-proliferation and work closely with the United States to encourage greater cooperation to address shared challenges in Central Asia through regional formats such as C5+1 dialogue; combine our efforts to rebuild Afghanistan, including through empowerment of Afghan women; fight against terrorism and extremism and, if necessary, provide our platform for peaceful talks to address topical issues.”

The ambassador also mentioned agreements signed during Nazarbayev’s visit between large U.S. and Kazakh companies worth more than \$7 billion, including \$2.5 billion aimed at the purchase of U.S. products.

“Overall, I would say that this visit exemplified that there is indeed a vast potential to strengthen and enhance our strategic partnership. Both sides are now actively working to follow up on agreements reached and look forward to more cooperation in the future,” he added.

“I think this visit was important because President Nazarbayev represented not only Kazakhstan but he represented Central Asia as a region and one of the important developments that are taking

place in the region is that we want to increase our integration and our economic cooperation,” said Kazykhanov while mentioning issues on which the two countries can cooperate.

He said that, unfortunately, the inter-regional trade in Central Asia makes up only 8 percent for the five countries.

“So we need to increase it dramatically and we see that the United States can help us in strengthening integration in Central Asia. Last year, the presidents of Kazakhstan and Uzbekistan agreed to increase the trade turnover between two countries from two billion to five billion dollars in two years,” he explained.

The discussion also included Afghanistan.

“Kazakhstan and other countries of Central Asia wholeheartedly support the new South Asia strategy of the United States and we are committed to working hand-in-hand with our U.S. partners in stabilising the situation in Afghanistan and we are proving that by making concrete steps. The visit of eleven permanent representatives of the Security Council members to Kabul was a vivid example of Kazakhstan’s leadership in bringing Afghanistan problem to the radars of the Security Council,” said the Kazakh ambassador.

“Kazakhstan has been a leader in promoting dialogue and working for peaceful solutions to complex disputes around the world, and this leadership was on full display during its successful presidency of the UN Security Council this month. Kazakhstan focused on critical issues like global nuclear non-proliferation and the conflict in Afghanistan. During its presidency, Kazakhstan also proposed and organised a UN Security Council visit to Afghanistan,” said Deputy Assistant to the U.S. President and Senior Director for South and Central Asia at the National Security Council Lisa Curtis.

“President Nazarbayev’s visit to Washington also underscored Kazakh support for our South Asia strategy. Kazakhstan is sharing in the burden in Afghanistan, it’s contributing to the Afghan security forces, training Afghan civilian specialists and it’s even considering participation in some important infrastructure projects,” she said, adding that Kazakhstan is concerned about growing violence in northern Afghanistan and the emergence of ISIS fighters in the eastern and some northern parts of the country.

Curtis said she believes the meeting of two leaders provided the opportunity for the United States to demonstrate its “on-go-

ing commitment to Kazakhstan’s independence, sovereignty, its territorial integrity – something the United States has done over the last 26 years.”

“And I think the meeting sent a clear signal that the United States is steadfast in its engagement in Central Asia. We want to be present in this increasingly important region, which sits at the crossroads of Europe and Asia. This region is important to core U.S. national security interests – protecting American people, promoting American prosperity and advancing American influence,” she added.

According to her, Nazarbayev and Trump committed to enhancing the strategic partnership and strengthening security, economic and cultural ties between the two countries.

Another panellist, former U.S. Ambassador to Kazakhstan Richard Hoagland said Kazakhstan has long worked to position itself on the world stage and noted the importance of a recent Kazakhstan-sponsored visit to Kabul.

“From the beginning, as we all know, it took the initiative in nuclear non-proliferation; it seriously undertook economic reform, which is now paying off handsomely. In 2010, when it held the chairmanship of the Organisation for Security and Cooperation in Europe, it hosted the first OSCE summit in many years and then more recently it positioned itself to host negotiations on Syria. Again, a bit under the radar, but it shows the respect that Kazakhstan has among many opposing countries in the world. And then, of course, most recently it assumed temporary presidency of the UN Security Council and under the leadership of Kazakhstan’s permanent representative, Ambassador Kairat Umarov, it sponsored that remarkable visit to Kabul for Security Council representatives that got a little bit of reporting. But I think it was a real breakthrough

and it was highly creative, it was an important thing to do, because all of you involved in diplomacy and foreign policy know that you can read and read and read, but until you get on the ground and meet people and see places you really don’t understand as well as you should,” he said.

Senior Fellow at Eurasia Centre of the Atlantic Council Dr. Ariel Cohen, who moderated the event, said Kazakhstan, since its independence, has been a model in many senses.

“It was a model of disarmament and non-proliferation policy. It inherited a huge Soviet military nuclear arsenal... And Kazakhstan, as well as Ukraine led and showed the way of how a country can get rid of these horrible weapons of war and attract foreign investment, technical assistance and really sky rocket on the path of modernisation. Kazakhstan is a model in other things. In the aspect of being the economic engine of Central Asia in terms of development, education, in terms of being a model of a majority Muslim country that is secular essentially and does not oppress religious practice but at the same time does not allow this or other way of extremism to dictate policies of the country. And, finally, Kazakhstan is very active internationally,” he said.

“A newly independent country that gained independence only twenty five years ago, that unlike the Baltic states or some other countries did not have a previous iteration of independence, started from scratch, became a country chairman of the OSCE, became chairman of the Organisation of Islamic Cooperation. And it is on its way to become eventually a member of (the Organisation for Economic Cooperation and Development) OECD and now is a non-permanent member of the Security Council and this month chairs the Security Council,” said Cohen.

Nation&Capital

WEDNESDAY, FEBRUARY 14, 2018

PEOPLE

Paediatric heart surgeon among nation's 100 New Faces

B2

CULTURE

Bekmambetov's new film "Search" claims award at Sundance Film Festival

B3

SPORTS

Kazakhstan to face off against Croatia in Davis Cup quarterfinals

B7

Short-track skater carries flag at Olympics opening ceremony



By Anuar Abdrakhmanov

PYEONGCHANG – The 2018 Winter Olympic Games kicked off in PyeongChang, South Korea, with the Feb. 9 opening ceremony. The Kazakh flag was carried by short-tracker Abzal Azhgaliyev.

"It is a great honour for me to be the standard bearer of Kazakhstan's national team at the Olympics' opening ceremony. To be honest I'm a bit nervous, because it's not only a great honour, but also a great responsibility for any athlete. All the people of Kazakh-

stan will watch the opening ceremony broadcast," he said before the event.

He also spoke about his favourite portion of short track.

"We compete in different disciplines at the Olympics, but to be honest, I want to take part in the team relay race most of all, because short track is first of all a team sport for me. We trained together with the team throughout the year and supported each other and this discipline is more important for me," said Azhgaliyev.

The Kazakh flag was raised ear-

lier in the Olympic village, a ceremony officially confirming that athletes are ready to compete for medals. The event was attended by National Olympic Committee President Timur Kulibayev, representatives of the Ministry of Culture and Sports, athletes, coaches and Kazakh journalists.

The Games have villages in PyeongChang and Gangneung. The mountain cluster in the former will host skiing competitions; the coastal cluster in the latter will see short and long track speed skating, figure skating, hockey and curling. "We are hopeful for good re-

sults. The athletes are in good shape and all necessary conditions were created for their training for the Olympic Games. But in sports, besides good preparation, you also need luck. That is why I would like to wish luck to our athletes," said Kulibayev.

Great interest in the Games is already evident in the Korean city. Journalists and fans from throughout the world have arrived to witness competitions by the world's leading athletes. Kazakhstan is represented by 46 athletes who won 57 Olympic licenses and will compete in nine sports.

World standards for laboratory practice to be introduced in country

By Anastasia Prilepskaya

ASTANA – Kazakhstan is set to implement the principles of Good Laboratory Practice (GLP), which will allow the results of testing in Kazakhstan's laboratories to be recognised by the Organisation for Economic Cooperation and Development (OECD) in 2019, Minister for Investment and Development Zhenis Kassymbek said at a recent government meeting.

"Introduction of GLP principles will be implemented during 2018 to 2019. Thus, the OECD countries will recognise the results of laboratory tests in Kazakhstan," the minister said.

He noted that the GLP will apply to the activities of four ministries: the Ministry of Healthcare in terms of medicines and food supplements; the Ministry of En-



ergy in terms of safety evaluation of the impact of chemicals on the environment; the Ministry of Agriculture in the field of additives in animal feed, veterinary drugs and pesticides; and the Ministry for In-

vestment and Development in the field of industrial chemicals and cosmetic products.

According to Kassymbek, amendments and additions to a number of legislative acts are

being developed to eliminate a number of complications in Kazakhstan's laboratory research and testing.

Particularly, it is planned to resolve the question of reducing mutual trust in the results of qualification tests, as well as of importers avoiding from passing certification after passing through the customs procedure of the so called "conditional release of goods."

Referring to the official data of the State Revenue Committee of the Ministry of Finance, the minister said that in 2017, only 77 percent of all "conditionally released" products were found to be compliant with their certificates. In this regard, the Ministry for Investment and Development and the Ministry of Finance prepared drafts of three joint decrees, which are planned to be adopted in the first quarter of this year.

Kazakh land, culture inspire graphic designer

By Dana Omirgazy

ASTANA – The fairy tale illustrations of Kazakh-born artist Svetlana Popova, known under the pseudonym Veta, fascinate at first sight. Looking at them, children and adults are acquainted with the culture, traditions and wisdom of their ancestors. A child who believes in fairy tales believes in good things which help him or her smile at the world.

"I often read Kazakh fairy tales to my son, in which, alas, I did not find illustrations with a bright and positive national flavour. Then, I started drawing colourful paintings on watercolour paper. Thus, I created my first collection, 'Picturesque Legends,' drawn in national style. I was inspired by the art and nature of my native land. I wanted my drawings to reflect all

the beauty of the Kazakh steppe. Initially, this collection was created for children to instil love of native culture through understandable, colourful and joyful images. After a while, these drawings became very popular not only among children, but also among adults," she said.

The popularity of the drawings encouraged Popova to design electronic versions using a graphic tablet. She created several series of colourful works devoted to her native land, such as national holidays, jewellery, a nomadic yurt and decorative and applied art. The illustrations depict historic events, great personalities of the steppe, warriors and folk tale heroes.

"Being in the stage of constant self-improvement, I try to implement my creative ideas and plans to the maximum. Most often, I am engaged in media advertising

for web sites, creating websites, branding, concept development for style visualisation and conceptual presentations, as well as souvenir design and industrial and textile design," she said.

Drawing has been Popova's passion since early childhood. Guided by inspiration, she would start drawing anywhere and anytime.

"I studied at the art school for talented children. After graduating from Zhurgenov Kazakh National Art Academy, I applied my skills at the Almaty urban design company. During that period, I became a leading designer in the development of concepts, scenes and decoration of streets for all significant holidays and events in Almaty. Later, I got a job with the Empire Kazakhstan company. Challenging, but interesting work has taught me to create projects for large plants and enterprises. I

used flash animation and 3D programmes," she said.

Her composition "Ornamental stylisation of barkhans (sand dunes)" received an award at the 2012 national contest. As a result, she had the opportunity to participate in that year's Cannes Lions International Festival of Creativity.

The Almaty native now lives in Sochi, Russia. In the last 15 years, she has cooperated with design companies in Belarus, China, Italy, Kyrgyzstan, Russia, Saudi Arabia, the UAE, the U.K. and the U.S. and maintains business relationships with some of them.

"Despite my current residence, I still consider myself a Kazakh and I continue to cherish and respect the culture of the Kazakh people. I am happy to create illustrations that praise my native Kazakhstan," said Popova.

60-year-old Aktau fitness buff goes viral, challenges youth

Staff Report

ASTANA – The video of 60-year-old Zheksen Ayupov from Aktau city in western Kazakhstan doing an ab roller wheel exercise recently went viral on Kaznet.

Born in 1958, sports have been an important part of Ayupov's life since childhood. He began wrestling when he was a child and later switched to other activities.

Over the past 10 years, Ayupov has begun his days 6 a.m. with a 3-4 kilometre jog followed by horizontal bar exercises. He then does ab roller exercises and takes a cold shower, an important part of his morning routine, says Ayupov.

Ayupov has also offered 5,000 tenge (U.S. \$15.35) to anyone able to match his ab roller exercise routine. So far no one has been able to collect the money.

"We filmed the video at the market to raise interest among young

people and motivate them to come and compete with me. I was just interested in whether anyone in Aktau would be able to do 100 ab roller exercises as I can. I am working in the market and everyday I am leaving an ab roller and 5,000 tenge (US\$15.35) on the floor. Anyone able to do this exercise 10 times can take this money. But no one has been able to do that so far. Everyone fails right after the first time," said Ayupov.

"I no longer need an alarm. Every day, I am waking up at 6 a.m. like on schedule. It takes two hours in total to complete my entire workout. It feels like I am born again after cold shower. I am living with my family and my eating plan is similar to what all have. I have no particular diet. I urge Aktau residents to compete with me in this ab roller exercise. You can bid different sums, but I believe no one will be ready to put more than 50,000 tenge (US\$15.35)."

GGG named ambassador of First International Boxing Forum

Staff Report

ASTANA – Gennady 'GGG' Golovkin, the WBC, WBA (Super), IBF and IBO middleweight champion was named ambassador of the first international boxing forum held in early February in Sochi.

"It was a big honour for me to be ambassador at the First International Boxing Forum. Thank you so much to the Boxing Federation of Russia and all the people of Sochi for organising such a significant event," wrote Golovkin on his Instagram page.

According to the press service of the Kazakhstan Boxing Federation, GGG received the Boxer of the Year title, and Golovkin's coach Abel Sanchez was named Best Coach of the Year.

President of the Asian Boxing Confederation Serik Konakbayev, Executive Director of Kazakhstan Boxing Federation Bekzhan Bektenov and Olym-

pic champion Bakhtiyar Artayev also represented Kazakhstan at the forum.

The event included referees' seminars, councils for heads of international boxing organisations, roundtables with Olympic champions and master classes. A focus of the discussions was the possibility of amateur and professional boxing rapprochement.

The Kazakhstan Boxing Federation, as well as the hosting Boxing Federation of Russia agree that amateur boxing is a popular sport and should be more self-sufficient and less depend on state funding.

"Olympic boxing, as well as professional boxing, has a huge army of fans and great commercial potential," said Bektenov. "Our goal is to unleash this potential and bring together amateurs and professionals. I think, together we can do it in the coming years, AIBA has already made the first steps to it."

Representatives of more than 130 countries attended the event.

THINGS TO WATCH & PLACES TO GO

ASTANA ARENA

February 15 at 10 p.m. FC Astana – Sporting CP, UEFA Europe League

ASTANA BALLET

February 16 at 7.30 p.m. Salome, ballet

February 23 at 7.30 p.m. The Nutcracker, ballet

ASTANA OPERA

February 17 at 6 p.m. La Traviata, opera

February 18 at 12 p.m. A Friendly Family of String Instruments, concert

February 18 at 6 p.m. Chamber Music concert

SARYARKA VELOTREK

February 22 at 8 p.m. Kazakhstan – Iran, FIBA Basketball World Cup 2019 Qualifiers

February 25 at 6 p.m. Kazakhstan – Qatar, FIBA Basketball World Cup 2019 Qualifiers

BARYS ARENA

February 22 at 7.30 p.m. HC Barys – HC Sibir Novosibirsk, warm-up match

PEOPLE

WEDNESDAY, FEBRUARY 14, 2018

Raising awareness of inclusive education is crucial for its development, says NU professor

By Meruyert Abugaliyeva

ASTANA – By 2020, 70 percent of Kazakh schools will provide inclusive education. In an interview with The Astana Times, Nazarbayev University Graduate School of Education (NU GSE) Associate Professor Tsediso Michael Makoelle spoke about progress in this area.

“First, it is important to understand what inclusive education means. Inclusive education is a system of education that accommodates the needs of all children regardless of their disability, health, socio-economic status, gender or race. In general, it responds to whatever potential barrier to learning exists in the classroom,” he said.

Makoelle, who is NU GSE's General Director for Research, holds PhDs from the Univer-



Tsediso Michael Makoelle

leaders for the nation's education system.

Makoelle believes the main barrier to implementation is the way people perceive children's special needs. A significant number are ashamed to have a child who is different and do not come to the fore. If people still believe children with disabilities cannot be educated in schools, there is no future for inclusive education. Still, awareness is growing and parents are beginning to realise they need to change those attitudes.

“In Kazakhstan, as in many other countries, understanding inclusive education is still centred on disability. Of course, this is how the concept started. However, later it moved further to incorporate other potential obstacles for effective learners. In some countries, inclusiveness was implemented a long time ago and there were numerous awareness and advocacy campaigns. I believe that it is a matter of time for Kazakhstan. I give presentations and hold workshops for

teachers and officials from the Ministry of Education and notice that there is now a growing, clear understanding of what inclusive education actually is,” he noted.

Makoelle emphasised the team works with non-governmental organisations, such as the Dara Foundation, which were established to assist people with disabilities in receiving an education. The NGO works with schools to ensure equitable provision of education. The team also acts as a consultant to government bodies and he praised their initiatives.

“The Ministry of Education has set out a policy contained in the State Programme which makes it clear that by 2020, 70 percent of schools must create conditions for inclusive education. It has already been implemented in several pilot schools. For example, NU GSE supervises one such school,” he added.

Two types of training are required to execute the inclusive education system. Principals must be taught to develop structure and administration systems relevant to inclusive schools, since managing such schools differs from managing a homogenous school. In addition, teachers should be re-trained to develop subject methodology and pedagogy to accommodate the needs of all students.

“We also need to change the curriculum of future teachers

who are studying in pedagogical institutes, so that when they get a degree and go to a school, they will be ready to assist various students in the classroom. Our team is involved in a 100 experts' project and we continually train pre-service teachers in such institutes,” said Makoelle.

In addition to training, he noted the need for a suitable infrastructure, such as wheelchair ramps, signs for those with hearing impairments and special prompts for the blind. He noted the difficulty, since schools were not originally built to account for such needs and infrastructure provision touches on the availability of resources.

The inclusive education team has expanded, as two more experts have been hired at NU GSE to focus on inclusive education in kindergartens and higher education institutions.

“We have Master's and PhD programmes at NU. Students in GSE have the opportunity to go abroad and observe the educational process. For example, PhD students have the opportunity to visit the University of Cambridge and the University of Pennsylvania. Recently, two students went to learn and share experience on inclusive education through the Americans with Disabilities Act (ADA) inclusive education programme by the federal government of the U.S. At the same time, a visitor came to Kazakhstan through the ADA programme. Currently, there are two cohorts of graduates who work in schools and promote inclusiveness,” he said.

While working at NU GSE, Makoelle published “Inclusive Pedagogy in Context: A South African Perspective.” The book, released in 2016, covers pedagogical methods, management systems, school development plans and recommendations for teachers, school managers and policy makers.

Makoelle intends to remain in Kazakhstan five more years and the inclusive education team plans to pay more attention to rural schools and identify how educational practices can be sustained.

Paediatric heart surgeon among nation's 100 New Faces

By Dana Omirgazy

ASTANA – Gulzhan Sarsenbayeva, one of Kazakhstan's 100 New Faces, is among those who conducted pioneer research in paediatric heart surgery.

“I am one of the few cardiac surgeons who has the skills of ultrasound diagnosis of heart defects, which helps to see the pathology of the heart before surgery, during surgery and after surgery. This colossal experience will help me create a monograph in the future. We, specialists of the centre and children's doctors of the country, show every day that we strive to decrease the morbidity and mortality level among children. I think that all my achievements are aimed at the health of children,” she said.

Sarsenbayeva was a young doctor 17 years ago when she joined the leading national paediatric clinic. During that time, she continued studying to improve her skills.

“Now, I perform heart surgery on children under conditions of artificial circulation. Even at school, I was interested in subjects such as biology, chemistry and anatomy. I graduated from high school and a medical university with honours. Knowledge that I got thanks to the teachers at the medical university in Almaty now helps me in determining the diagnosis, understanding the disease and, most importantly, in treating the patient. One of the priority areas in national medicine is the health of children. Earlier, our country had faced problems with therapy and surgical tactics in congenital malformations,” she said.

After graduating from the medical university in 2001, Sarsenbayeva was the neonatologist who helped organise and open the first surgery centre for newborns in the Healthcare Ministry Scientific Centre for Paediatrics and Children's Surgery. In three years, the centre provided specialised medical care for newborns with surgical pathology. At the time, the country experienced problems



Gulzhan Sarsenbayeva

in surgically correcting heart defects, as Kazakh doctors did not conduct heart surgery in newborns, children below the weight of 10 kilogrammes and those under 12 months.

“In 2005, I completed post-graduate studies in the specialisation of paediatric cardio surgery in Russia as part of the Bolashak programme. After returning to Kazakhstan, since 2009 my practical and scientific activity has been aimed at providing medical care to newborns and children with cardiac pathology,” she added.

Since 2011, Sarsenbayeva has participated in organising the paediatric centre's cardiac surgery department, inviting a team of specialists and medical personnel. The following year, she opened a department of paediatric cardio surgery and interventional cardiology as the head of the department, which now annually performs more than 500 surgeries on heart and blood vessels.

“In addition to practical activities, I participate in the scientific technical programme on the study of children's health in the country. I am the curator in paediatrics in the South Kazakhstan region. I constantly visit regions with master classes on the diagnosis and therapy of congenital heart diseases. I also provide assistance and train regional specialists to improve the quality of medical care in the country. All this has an impact on the infant mortality rate in the country,” she said.

Two types of training are required to execute the inclusive education system. Principals must be taught to develop structure and administration systems relevant to inclusive schools, since managing such schools differs from managing a homogenous school. In addition, teachers should be re-trained to develop subject methodology and pedagogy to accommodate the needs of all students.

sity of Manchester, U.K., and University of South Africa. He is also the interim chair of the school's inclusive education team, composed of six experts in policy and governance, pedagogy and curriculum, inclusive practices and learning barriers, minority education and diversity. The team aims to develop competitive inclusive education

New app helps Kazakhs be more eco-friendly in personal waste management

By Zhanna Shayakhmetova

ASTANA – Almaty residents now have their own recycling guide. The Tazalyk app, developed and created by three university students, has a map showing the location of containers for paper, plastic, electronics, glass and medical products waste. The main feature is a rating system that counts how many kilogrammes of recyclables each user submits and calculates its savings.

The company also has eco-containers for separate collection of paper and plastic. Kazakhstan Waste Recycling, one of the largest local companies for collecting and sorting waste paper, is the project's key partner.

More than 900 people have downloaded the app and 70-80 use it on a daily basis. “Small business, big goals” is a good motto for ambitious entrepreneurs aiming towards a sustainable society.

“We work closely with the waste processing plants. There are no plants accepting all types of waste. Now, we have found some small enterprises that resell the collected waste to larger companies in the CIS (Commonwealth of Independent States) countries. People do not trust separate waste collection, because they faced some nega-



Aibek Rakhim (L) with residents who got tickets for the return of recyclables.

tive experiences. Once, collection points were installed around the city, but all wastes were mixed and exported to a landfill,” said NS Labs founder Aibek Rakhim.

“We were always wondering why waste recycling is not widespread and why there's a shortage of companies involved in recycling. After an analysis, we saw that the plants are constructed, but the process of separate collection is not yet well established across the country. If there is a separate collection, the quality for recycling

remains. We found that there are no conditions for separate collection,” he added.

The app shows the location of waste collection points for a variety of items.

“We all are currently focusing on the Tazalyk project. It was developed on iOS and Android platforms in September last year. Almaty residents receive bonuses and can exchange them for a ticket to a cinema or the Medeo Ice Rink for the return of recyclables to reception points,” he noted.

An IT specialist, Rakhim, 21, has been involved in ecological issues for three years. Co-founders Yersultan Naikhan and Yelnur Zheksenov are also studying at International IT University.

“It is important that at least 20-30 people will be socially responsible and comprehend the significance of a separate collection. When they see their contribution, they receive a bonus and motivation and eventually the ratio of such people will grow. That is why we launched this application. Our team strives to use its knowledge in the field of ecology,” he said.

The developers started the project using their personal savings. The company recently won third place at the Zhas Kasipker competition organised by the Almaty akimat (city administration), Kazakhstan Foundation for Management Development and Almaty Management University.

“We are in need of investments. But, first, we need to prove ourselves as an established entrepreneur in the market. Our university provides us with all conditions for engaging in our projects on the basis of an IITU Innovation incubator. Beibit Amirgaliyev, head of the centre who has extensive experience, assists us in promoting the project. We really appreciate this support,” said Rakhim.

The developers are currently collaborating with 10 organisations in Almaty. The number of companies is expanding.

“We have gotten requests to start the project in Astana, Aktau and Karaganda. We plan to increase the number of partners this year. We aim to popularise separate collec-

tion. We meet with organisations responsible for landfill operations and promote separate collection. We also teach young people about the benefits of separate waste collection. We must strive for the well-functioning waste management system developed in Germany,” he said.



WEDNESDAY, FEBRUARY 14, 2018

Bekmambetov's new film "Search" claims award at Sundance Film Festival

By Assel Satubaldina

ASTANA – Kazakh producer Timur Bekmambetov's new film "Search" won the Audience Award and Alfred P. Sloan Feature Film Prize at the Sundance Film Festival.

North America's leading independent film festival gathered 123 feature-length and 68 short films this year – the result of a thorough selection from 13,468 submissions. "The Miseducation of Cameron Post," "Kailash," "Of Fathers and Sons" and "Butterflies" were the Grand Jury Prize winners at the Jan. 27 award ceremony in Park City, Utah.

"Search" tells the story of David, played by American actor John Cho, whose beloved daughter Margot is missing. He has desperately been trying to trace her through her laptop and Detective Rosemary Vick, a specialist in such cases, helps him in his efforts.



Bazelevs production team.

The film was directed by 26-year-old Aneesh Chaganty, fa-

mous for his short film capturing his journey to India using Google

Glass. It quickly went viral on YouTube.

Produced by Bekmambetov's Bazelevs TV and film production company, "Search" ushers in Screen Life, a new format where all actions unfold on computer screens. The angle gives the audience a better picture of what is going in the person's mind and better understanding of the situation, as computers and other gadgets have become an integral part of people's lives.

"Today, the Screen Life format is a reality that is interesting to watch. The under-25 generation does not remember life without the Internet, which leaves space for stories about the screen life of people. Such a format might become a new cinema language," Bekmambetov added.

Sony Pictures Worldwide Acquisition spent \$5 million for the international rights to the film.

"We negotiated the deal the same night. The negotiations were very intense and we are satisfied with the result," said Bazelevs producer and Almaty native Igor Tsai.

Cho noted it took time to believe in the film's concept.

"When I first heard about the idea, I didn't think it was real to accomplish it. Then, we met and Aneesh convinced me in the opposite way. He showed me what he had and I said, 'this looks like a real traditional film with extraordinary parameters.' I became very interested," he said.

"Search" is Bekmambetov's second film produced in the Screen Life format, repeating the success of Levan Gabriadze's "Unfriended" (2014). The latter, with a \$1 million budget, earned \$64 million in box office revenue.

"Profile," Bekmambetov's newest film in a similar format, was produced jointly by the U.S., the U.K., Russia and Cyprus and is expected to premiere at the Berlin International Film Festival in mid-February, more commonly known as Berlinale. "Profile" will come soon to cinemas, although the release dates have not yet been announced.

Dombra exhibition opens in Atyrau

By Frol Leandroer

ASTANA – An exhibition recently opened in Atyrau's local history museum on the history of the Kazakh folk instrument, dombra.

A dombra is a round and flat two-stringed instrument made of pine, maple, hazel and oak.

The exhibit includes 65 dombras and discusses the evolution of the instrument and how it is made.

"Dombra is one of the most ancient musical instruments in the world. Its first cave paintings date back 4,000 years and refers to the Neolithic period," ethnographer Utepbergen Alimgereev said.

This exhibition is not only on the history of the musical instrument. It is also on the history of the Caspian region, which is closely con-

nected with famous dombra musicians Kurmangazy Sagybayev and Dina Nurpeisova.

"Dina Nurpeisova's dombra is the pride of our musical instruments collection. Accompanied on this dombra, she performed her kyuis (musical compositions) such as 'Bulbul,' 'Toibastar,' 'Baizhuma,' 'Asekonar,'" director of the local history museum Rashida Kharipova said.

Equally interesting are the instruments played by Karshiga Akhmedyarov, Nurgisa Tlendiyeu and Salamat Mukashev. The exhibit also includes a copy of Makhambet Utemisov's famous dombra. That dombra is from the 19th century and is made of oak and inlaid with silver and bone. Soon the exhibition will also include other rare instruments, such as the dauylpaz, dangyra, syr-nai and asatayak.



NYT articles, Khan Academy educational materials to be translated into Kazakh

Staff Report

ASTANA – Popular New York Times articles and educational materials from the global education nonprofit Khan Academy will be soon available in the Kazakh language, KazContent Board Chair Yevgeniy Kochetov announced recently.

KazContent was established in 2009 and is responsible for creating national media content and developing the Kazakh internet segment. The company manages eight information projects, including el.kz and baq.kz, which seek to make e-learning materials and newspaper articles available in the Kazakh language.

KazContent reached out to the Khan Academy to receive permission to translate the academy's materials into Kazakh.

"Khan Academy was started by a young and incredibly talented person that has phenomenal skills to teaching and pedagogy. This young man published video lectures in a wide range of topics, in which he explains complicated things in a simple and interactive format. We learnt that Khan Academy is available in Russian language and we decided to make it available in Kazakh language as well," said Kochetov, adding that the translation work has begun.

"Lectures will cut across various topics. We got an opportunity to translate most of that content that they had. They provided us all materials and they will be available in Kazakh at el.kz," he noted.

Kochetov also said translations have begun on the articles of popular New York Times columnists, including Nobel and Pulitzer Prize winners.

Kazakh Literature and Culture Centres open in Washington, New York City

By Dana Omirgazy

ASTANA – The Kazakh National Academic Library is continuing its international project to promote Kazakh literature by opening centres in different countries. Seventeen centres have been launched since 2016, including in the national libraries in China, Finland, Hungary, Japan, South Korea and Turkey, reported the national library press service.

The most recent Kazakh Literature and Culture Centres opened Jan. 19 in the New York Public Library and Jan. 23 in the Library of Congress in Washington D.C. The latter, established in 1800, is the oldest federal cultural institu-

tion and the largest library in the world. Its collection of more than 156 million publications serves in excess of 1.8 million readers each year.

"The Kazakh side donated books to the library in the Kazakh, Russian and English languages about Kazakh President Nursultan Nazarbayev and his works, historical and popular science literature about Kazakhstan and works of Kazakh poets and prose writers. A new edition of the President's new book 'Era of Independence' was unveiled. This is a political essay which characterises the stages of formation of the sovereign state since its foundation, showing the principles of making important historical decisions on internal

and external challenges over 26 years of independence," according to the release.

Library readers will be able to learn about Nazarbayev's role in the international political arena, establishing Kazakhstan as an independent state, holding EXPO 2017 and the history of the transfer and construction of Astana as the new capital. Colourful publications and albums depict the city's history and the country's architectural masterpieces and sacred places, culture, national dress, customs, sports, education and nature.

"The collection of books is represented by publications of Kazakh poets Abai, Shakarim and Zhambyl, scholar Shokan Valikhanov, writers Mukhtar Auezov and Sabit

Mukanov, contemporary authors Olzhas Suleimenov, Bakhytzhana Kanapyanov, Rosa Mukanova, Serik Turgyzbekov and many others. Translations by young poet and writer Bekzat Smagulov of the fairy tales of American writer and illustrator Ruth Sanderson are special gifts of the Kazakh National Library. The Library of Congress keeps books by Ruth Sanderson in English. Now, the collection of books will be replenished with publications in the Kazakh language," according to the press service.

The books will always unite the peoples and continents, noted Kazakh National Academic Library head and project initiator Umikhail Munalbayeva as she commented on the news.

Astana Opera presents concert of French Impressionist composers

Staff Report

ASTANA – The Forte-Trio ensemble presented Feb. 9 an evening of French chamber music entitled "L'Impression" at the Astana Opera House in the capital. The musicians performed the famous trio for piano, violin and cello by Maurice Ravel for the first time.

"The title of the concert 'L'Impression' is translated from French as impression. Painting and

music are the most vivid manifestations of impressionism. Images in poetry are not described directly, but through the prism of the composer's or artist's vision. The play of sound and imagination takes place. These impressions are especially interesting in music. We are delighted to perform these masterpieces with great pleasure for our dear listeners," said Forte-Trio Artistic Director and Honoured worker of Kazakhstan Timur Urmanchev prior to the event.

The ensemble featuring first violin of the Kazakh Symphony Orchestra Yerkebulan Saparbayev and cellist Murat Narbekov frequently performs at the world's most prestigious venues and participates in international music festivals.

Ravel's "Piano Trio" for piano, violin and cello requires artistry, virtuosity and interpretation at the highest level. The "Piano Trio" in G major written by 18-year-old Claude Debussy was also included

in the programme. The brilliant works of the great composers are created in the Impressionist style. This was a unique combination for a concert programme due to the bright contrast.

Ravel's Violin Sonata Third Movement, Piano Sonata "Perpetuum Mobile" (Third Movement), Debussy's preludes and Gabriel Fauré's "Elegy" for cello and piano were presented. The concert also featured videos of French Impressionist artists' paintings.



WEDNESDAY, FEBRUARY 14, 2018

Kazakhstan prosecutes 320 people for corruption, returns \$43 million to national economy in 2017

By Assel Satubaldina

ASTANA – The Kazakh Civil Service Affairs and Anti-Corruption Agency registered 1,835 corruption-related crimes in 2017 and prosecuted 320 individuals, according to agency chair Alik Shpekbayev. The number of cases is 18 percent less than 2016.

The measures returned nearly 14 billion tenge (US\$43.4 million) to the national budget last year.

Shpekbayev discussed the outcomes of the agency's work in 2017 and set priorities in developing civil service and effectively implementing anti-corruption policies during a Jan. 31 agency board meeting. Introducing a merit-based model in civil service increased its attractiveness, ensured its stability and improved the quality of civil servants. The model launched in 2016 priori-



Alik Shpekbayev

tises meritocracy; a person beginning a civil service career must start from the lowest position, with promotions based on his or her merits.

Competition for a higher-level position is conducted solely among current civil servants. The model decreased non-competitive recruitment 18 times, said Shpekbayev, though the March report published by the Organisation for Economic Co-operation and Development

(OECD) emphasised the issue remains acute in Kazakhstan.

He added 1.3 percent of newcomers decide to leave the job. Kazakhstan is trying to align with other OECD countries, where the indicator ranges from 2.7 percent in the U.S. to 24.5 percent in Estonia.

Civil servants, however, still need to change their way of thinking, said Shpekbayev.

"We seek to have a large-scale and comprehensive transformation of consciousness among civil servants that should stand at the vanguard of changes. Artificial intelligence already can write template e-mails, quickly process data and offer solutions to different problems. This means it can do everything that a Kazakh civil servant is required to do. Therefore, [it is important to] develop the so-called flexible skills – leadership, communication skills, empathy, criti-

cal thinking – the skills that are not available on a machine," he added.

A civil servant of the digital era is also distinguished by IT literacy and language proficiency, he said.

"Following the adoption of the Digital Kazakhstan programme, we are working on the implementation of a digital agency project. It envisions incorporation of advanced technologies, including expanding the e-kyzmet information system (integrated system for civil service staff management) and stage-by-stage transition to electronic criminal case processing," he added.

Incorporating digital solutions should start with civil servants successfully mastering and actively using electronic services, as fundamental transformation means first "changes in daily habits," said Shpekbayev. These include e-government, registering a digital signature to sign documents

in electronic format and obtaining services solely in electronic format.

The idea lies at the centre of the national project aimed at improving the nation's civil service by moving away from the currently-prevailing bureaucracy to more contemporary and efficient approaches. The project is part of the broader Rukhani Janghyru (Modernisation of Kazakhstan's Identity) programme.

The agency will continue its active cooperation with the public sector and organisations, Shpekbayev added.

In 2017, the agency compiled a corruption risk analysis with the Atameken National Chamber of Entrepreneurs, examining 16 areas of primary significance for business development.

Kazakhstan's ruling Nur Otan Party assisted the agency in identifying and examining corruption

risks in education, healthcare, social protection and housing. Similar work was completed with labour unions in the oil, gas, mining and metallurgy industries, primary sectors of the nation's economy.

The agency reviewed more than 3,000 recommendations, mostly dealing with the imperfection of the existing procedures, discretionary powers and the presence of a conflict of interest.

Maintaining a favourable investment climate depends on the success of anti-corruption efforts, said Shpekbayev. He urged the agency's regional offices to prevent state bodies from intervening in foreign companies' activities.

"Each and every one of us should be convinced that a corrupt official has no moral right to fight corruption and, moreover, teach others. Each corruption case should be made public with the proper legal consequences," he added.

Government addresses measures to promote competition

By Dana Omirgazy

ASTANA – The Kazakh government is continuing efforts to reduce activities for state and quasi-public companies in order to protect and promote competition in the country. Last year, 108 laws and 972 bylaws were audited to identify rules that hinder competition. As a result, 144 norms preventing competition were identified, said Minister of National Economy Timur Suleimenov at a Jan. 30 government meeting.

The most serious measures to reduce business costs were aimed at business deregulation; reducing a number of paid public services, as well as enterprise services (monopolies and quasi-public en-

As a result, 367 facilities worth 164 billion tenge (US\$508.4 million) were sold by the state from 902 facilities in 2016-2017 as envisioned by the plan.

In November, the ministry sent proposals to the government on excluding 65 types of activities following commodity markets analysis. Of those, 17 are state enterprise activities in national ownership and the remainder are quasi-governmental activities or national managing holdings. The measures taken to reduce the state's participation in entrepreneurial activities will be continued by implementing the state-of-the-nation address, "New opportunities under the Fourth Industrial Revolution," published Jan. 10.

"At present, the ministry has established a working

group to determine the list of state institutions and subjects of the quasi-public sector for transfer to the competitive environment or liquidation, as well as their consolidation. Information on the work results of the group will be submitted to the government in three stages: in April, May and June," said Suleimenov.

In competition protection, 212 investigations were completed in 2017, of which 187 were finished by identifying violations in competition protection. Fines totalling 2.01 billion tenge (US\$6.23 million) were imposed, of which 594 million tenge (US\$1.84 million) were recovered. At present, 81 investigations of competition protection law violations are being conducted, particularly on the retail and primary and secondary wholesale coal and retail fuel sales markets.

In 2016, the Kazakh antimonopoly authority was admitted as a participant in the Organisation for Economic Co-operation and Development (OECD) competition committee. This year, a visit by OECD experts is planned to analyse the practical application of changes in antimonopoly legislation introduced in 2015-2016. In 2019, a large-scale OECD review is scheduled on competition law and policy.

Deputy Prime Minister Yerbolat Dossayev will supervise executing the President's instructions to develop competition.

The Comprehensive Plan for Privatisation for 2016-2020, which originally included 734 facilities subject to privatisation, was approved to consolidate the principles of the Yellow Pages Rule and create effective protection for businesses from the actions of state agencies that restrict competition.

terprises) or reducing their costs; revising individual tax rates and mandatory payments to the budget (fees); abolishing excessive requirements imposed on business entities when exercising state control and supervision or when they receive permits; optimising information tools and regulating issuance of technical conditions to connect to natural monopolies' engineering communications, reported primeminister.kz. Amendments made to the relevant legislative acts were reflected in the draft law "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Improving Business Regulation," which is being considered by the Mazhilis (lower chamber of Parliament).

The Comprehensive Plan for Privatisation for 2016-2020, which originally included 734 facilities subject to privatisation, was approved to consolidate the principles of the Yellow Pages Rule and create effective protection for businesses from the actions of state agencies that restrict competition.

Online platform launches to monitor greenhouse gas emissions

Staff Report

ASTANA – The Kazakh Ministry of Energy and the World Bank recently launched an online platform to monitor and report greenhouse gases (GHG) emission sources.

"Kazakhstan's emissions trading system is the first of its kind in the Central Asia region," said World Bank Country Manager for Kazakhstan Ato Brown. "With support from the Partnership for Market Readiness, the country has made a great effort to develop policy options for mid- and long-

term emissions pathways and to develop an action plan on GHG emissions reductions by 2030. The World Bank will continue to support the government during the crucial stages of policy implementation."

According to the press service of the World Bank in Kazakhstan, the system has no analogues in the Commonwealth Independent States and meets all information security requirements.

This platform is an essential part of the National Emissions Trading System of Kazakhstan, which was launched in 2013 as the main instrument for regulating internal

CO2 emissions and developing low-carbon technologies. Today, the system covers all major companies in the energy, oil and gas, mining, metallurgical and chemical industries.

The platform enables Kazakhstan's major emitters to transmit and record data on GHGs emissions, as well as trade online.

"The electronic platform undoubtedly proves the evolution of the Kazakhstan emission control system, which will allow the monitoring, reporting and verification system to be upgraded to a much higher level," said Deputy General Director of Zhasyly Damu Sergei Tsoi.

Emissions data is confirmed by accredited bodies for verification and validation and transferred to a registry using an electronic digital signature. To date, there are seven verification companies accredited in Kazakhstan, with five more in the process of accreditation.

Zhasyly Damu developed the platform with the support of France's Technical Centre on Air Pollution and Greenhouse Gases. Since 2014, the World Bank has provided technical assistance to Kazakhstan in the implementation of this system and related measures to mitigate the climate change impact.

Almaty hosts International Digital Kazakhstan summit

By Frol Leandroer

ASTANA – Investments in human capital play a key role in developing the digital industry. State officials, businesspeople and scientists at the Feb. 2 International Digital Kazakhstan summit in Almaty discussed IT trends, focusing specifically on the Digital Kazakhstan programme and biometrics. They noted the dual approach is an effective

strategy in creating business IT departments.

"We studied the existing experience with Digital Kazakhstan and realised that there is a very good example of the joint work by KBTU (Kazakh-British Technical University) and KazZinc in the East Kazakhstan region. This experience will be implemented in other enterprises," said Zerde National Infocommunication Chairperson Ruslan Yensebayev.

Suleyman Demirel University Rector Kanat Kozhakhmet agreed with his assessment

"A university should be in close cooperation with industry. We need a constant dialogue. The new trends should be included in a curriculum and in laboratories," he said.

Developers and scientists presented ideas and created concepts. They noted the way androids will help postal customers tackle issues of sending parcels and how biom-

etric systems can easily clarify a client's identity. The latter can be used not only in credit risks, but to a greater degree in operations like deposits and transferring large sums of money.

"The service can be installed in a shopping centre. CCTV (closed-circuit television) can be installed and it determines faces and understands that it's a client whom the bank works with," said First Credit Bureau CEO Ruslan Omarov.

Summit attendees noted Digital Kazakhstan will positively affect automating government processes and provide an impetus to qualitatively develop e-commerce. Executing the programme is estimated at 300 billion tenge (US\$930 million).

Centre for agricultural techniques to be established in Kostanai region

By Zhazira Dyussebekova

ASTANA – An agrotechnical hub for specialists in that field will be created in the Kostanai region, Deputy Akim (Governor) of Kostanai region Meirzhan Myrzaliyev told a Jan. 26 expanded meeting on digitisation issues, according to the region's press service. The Asian Development Bank (ADB) will allocate a \$341,000 grant for the initiative.

The region is implementing new technologies in agriculture, according to the official, but utilising them fully will be impossible without the participation of science and education.

"I will give an example when our companies bought drones but because of the lack of qualified specialists could not use their expensive equipment. The solution to this problem we see in the creation of an agrotechnical hub for the training of personnel and training of specialists in the field of agriculture," he said.

The hub promises to unite the efforts and interests of business, science and society in technology transfer, the commercialisation of ideas and improving the quality of products.

"In addition to this work, we are attracting the Asian Development Bank. The bank plans to allocate grants to create a hub. In general, the bank plans to allocate about 110 million tenge (US\$341,000) for digitisation of the agro-indus-

trial complex of our region," said Myrzaliyev.

The digitisation process in Kostanai region was launched recently, with 68 projects already selected for implementation. By the end of the year their number is expected to be more than 100.

"Our agrarians are already introducing some advanced world technologies. In crop production, the agricultural enterprises of the

region plan to implement projects to introduce electronic field maps and automated crop rotation systems, smart spraying and smart mineralisation," said Myrzaliyev.

In animal husbandry, it is planned to widely implement drones to track cattle, monitor pasture deterioration, assess the quality of grass and modernise dairy complexes. It is also planned to introduce electronic barcodes for marking finished products, which will give full information on the origin of cattle for end users.

All these modernisation processes, according to experts, will allow the processes of crop planning and monitoring to be automated, and reduce the costs of buying seeds, plant protection products, fuels and lubricants and soil mineralisation by 15 to 20 percent. In addition, the use of smart technology will reduce the cost of production by an average of 10 to 15 percent, which will make it more competitive in the market, the press release said.



SOCIETY

WEDNESDAY, FEBRUARY 14, 2018

Medical organisations should incorporate corporate governance policies, says minister

By Dana Omirgazy

ASTANA – Kazakh medical organisations should be headed by professional managers, said Healthcare Minister Yelzhan Birtanov at a Feb. 6 government meeting. He reported on measures to develop corporate governance and management in healthcare facilities.

“To date, most healthcare organisations in Kazakhstan have already been transferred into legal forms promoting the introduction of elements of corporate governance, such as enterprises with the right of economic management with supervisory boards,” he said.

An assessment of the ministry’s pilot medical organisations showed higher efficiency in the facilities that implement corporate governance principles compared to those that do not follow them.

To date, 750 of 840 public health organisations are to be transferred to the programme with the right to engage in economic activities. By the end of 2017, 618 enterprises were moved and the remainder will be switched this year.

The regional governments actively engage in providing facilities with organisational and methodological support and intend to create collegiate management bodies (supervisory boards), said Birtanov. In 2017, 352 bodies with public and business representatives were created.

A regional rating on executing corporate governance principles, taking into account the creation and full operation of the supervisory boards, was devised last year. “We see that Astana, Almaty, West Kazakhstan and Karaganda regions have a high level,” said Birtanov.

He added the question of training professional healthcare managers remains urgent. The industry employs about 3,000 top managers, yet 60 percent of organisation heads have higher medical education without professional management education. Only 13.5 percent have a master’s degree.

“Medical organisations should be headed by professional managers. To this end, a new Health Management master’s programme was introduced; training programmes



Healthcare Minister Yelzhan Birtanov

and a standard curriculum for the preparation of masters were developed,” he said.

Doctors’ salaries are one of the main indicators of management efficiency. According to the statistics committee, the national average monthly salary for a medical specialist is 159,307 tenge (US\$493.80); the nominal employee wage, 147,988 tenge (US\$458.70).

Birtanov noted work will continue to develop corporate governance and management. Plans are underway to legislatively consolidate medical organisations’ principles and concepts.

Corporate governance at macro and microeconomic levels is one of the decisive factors to successfully develop the national economy of any country, according to International Finance Corporation expert and World Bank representative Adalyat Abdumanapova. She focused on two points underlining the importance of corporate governance in Kazakhstan.

“Based on our experience as an international investor, we came to the conclusion that the successful development of business and attracting investments directly depends on the availability of proper corporate governance practices,” she said.

Abdumanapova believes Kazakhstan is working progressively to improve the corporate governance system, as the health sector is usually one of the most attractive investments.

“Traditionally, historically, the concept of corporate governance has evolved as a tool for private corporations. However, over the last few years, special attention has focused on the companies with state participation. As expected, these companies are able and even responsible for creating a positive example that local companies will follow,” she said.

Kazakh mathematician suggests solution to famous Millennium Prize problem

By Meruyert Abugaliyeva

ASTANA – Aset Durmagambetov, eminent mathematician and scientist, recently proposed his version of a solution to Riemann hypothesis, one of Millennium Prize Problems. The solution is particularly useful for crypto currency mining.

“From time to time scientists define the strategic goals by highlighting key fundamental problems for the current and future periods. This illustrates that science has reached a certain level and needs to conquer new heights, which will provide a new insight into the science itself and its applications. Millennium Prize Problems are an example of such milestones,” says Durmagambetov.

In 2000, the Clay Mathematics Institute (CMI) stated seven math problems and offered \$1 million for each solution. One of the problems was solved by a Russian mathematician in 2006, however, six remain. The problems have a worldwide theoretical and practical significance.

“The solution to Riemann hypothesis, for example, leads to a deeper understanding of data min-

ing, which in turn carries far-reaching implications for defence,” according to Durmagambetov.

The mathematician notes that in scientific realms a solution to the problem is considered to be found provided it is confirmed by a majority of scientific communities. Therefore, it is right to say that he has suggested a solution to the Riemann hypothesis. The CMI stipulates that two years are needed to verify the reliability of the solution. It is important, however, first to publish the suggested solution in academic journals, and only then the process of recognition starts and may last for years.

“The recognition process is a long-term process and the scientist should not be occupied with it. For example, some scholars still argue about whether Einstein was right or not. It is also of crucial importance to accept the fact that a single scientist never solves important problems alone; it is a process in which dozens and sometimes hundreds of outstanding scientists are involved. As regards the Riemann hypothesis in particular, with the assistance of numerous scientists, Eratosthenes laid the foundations, Euler built the walls and Riemann erected the roof,” he said.

According to the scientist, the Riemann hypothesis is considered one of the most challenging problems. The problem indicates that there are laws and order in prime numbers and these laws have implications for the physical world. The solution to that problem is key to the foundations of cyber security and crypto currencies, which are based on prime numbers.

Durmagambetov published his solution to the problem in the Advances in Pure Mathematics Journal in 2016, American Institute of Physics, and this work was also discussed during scientific seminars in the Moscow State University branch, Kazakhstan National University, Kazakhstan Mathematical Society and at a conference in Rome. Initially he posted his solution to the Research Gate profile, where 8,000 scientists have read and commented on the work.

“During the process of drawing the solution I received support from Kazakhstan Mathematical Society and its head Bakhytzhon Zhumagulov, who helped me to get constructive comments on my work. In Kazakhstan, mathematicians are highly qualified and objective while evaluating works. However, 90 percent of academics

who read my work were from the USA. I was also invited to speak at the conference in Boston and give lectures in math centres worldwide,” he added.

The scientist believes that science in Kazakhstan will develop when there will be large-scale projects developed jointly by academics, national companies, universities and the government. This will also help promote promising scientists and make them known to the international community. Otherwise, it is difficult for scientists to compete with international companies with generous budgets and infrastructure.

“Currently, a lot of effort is put into digitisation and I believe this project will be an enormous success. I also optimistically perceive the establishment of the Astana International Financial Centre (AIFC), which can potentially be a leading institution in education and science. The area of research to focus on could be mathematical modelling of financial markets and mathematical method of crypto mining acceleration. These markets are huge and if we take 0.1 percent of them, Kazakhstan will become one of the 30 most developed countries,” said Durmagambetov.

Construction to begin this year on \$1.6 billion beltway around Almaty

By Yerbolat Uatkanov

ASTANA – The Kazakh government plans to build a \$1.6 billion beltway around the city of Almaty to reduce traffic in the

city limits and decrease air pollution.

The 66-kilometre road will pass through the Karasai, Ili and Talgar regions and includes 38 bridges and overpasses. It will also intersect with international

highway transit routes, such as Western Europe – Western China, Tashkent – Shymkent – Taraz – Bishkek – Almaty – Khorgos and Almaty – Karaganda – Astana – Petropavlovsk. Construction is scheduled

to begin this year and open in 2021.

The beltway is expected to accommodate 38,000 cars per day and reduce traffic by 10 percent or 40,000 to 60,000 cars per day, within city limits. The speed limit is expected to be 150 kilometres per hour.

Road users will pay a toll costing 240 tenge (US\$0.7) for passenger cars and 330 tenge (US\$1) for trucks, according to the Ministry for Investment and Development. Designated vehicles performing official duties and passenger buses will be exempted from the tolls.

Project and maintenance of the beltway will be financed from the national budget but tolls are expected to collect 231 billion tenge (US\$716.1 million) over 15.5 years and 570 billion tenge (US\$1.77 billion) over 25.5 years, according to the ministry.

The beltway master plan was first adopted in 2002.



Photo credit: tempnews.kz

Astana hosts forum on social entrepreneurship as model for societal change

By Zhanna Shayakhmetova

ASTANA – What is behind a global social enterprise? What are the trends and challenges in social entrepreneurship? What lies at the core of socially-driven activities?

The British Council, in partnership with Chevron and the Atameken National Chamber of Entrepreneurs, hosted a forum in the capital Jan. 31 to address social entrepreneurship as a new model of sustainable social change. Launched in 2013, the forum attracts entrepreneurs and representatives of state bodies and national companies.

The British Council sees social enterprise as a business with the mission to improve people’s lives and solve ecological and social issues. Business profit is used to tackle social issues.

The role of an enterprise should be considered in light of sustainable growth and job creation defined in the Organisation for Economic Co-operation and Development (OECD) report and United Nations Sustainable Development Goals (SDGs), said British Council in Kazakhstan Director Jim Buttery. He also addressed how an enterprise can contribute to

Kazakhstan’s ambitious national development challenges.

“Yesterday – creative enterprise, today – social enterprise. And for me this is a fascinating area. It is an area where the U.K. has a story to tell and experience to share. It is also an area where in addition to making profits through business, you can contribute value to society. Either social in this case or creative, you enrich society in different ways whilst making money. That feels like a win-win,” he said.

The social enterprise sector has been actively evolving in the U.K. for 20-25 years.

“We describe social enterprises as businesses that are set up to trade and to tackle social problems, improve communities and people’s life chances or their environments. They make their money from the sale of goods and services in European markets, but they are reinvesting their profits back into the business and the local community as business profits and society profits. These businesses we now see in the U.K. are all along high streets and operating in almost every single industry sector you can think of,” said British Council global social enterprise advisor Juliet Cornford.

Such businesses are driven by a

social purpose that lies at the heart of that business.

“Importantly, they’re generating the majority of their income through trade and revenue mainly from the sales of goods and services. It is not about grant dependency. Many enterprises in the U.K. still have some grants in activities in their turnover. In the U.K., we try and place a benchmark on a minimum of 50 percent. Many enterprises are 100 percent self-financing, but for those that are still evolving and developing we try and encourage them to reach 50 percent. There may be a mixture of income,” she noted.

Social enterprises, autonomous of states and governments, are majority owned by their stakeholders.

“Many social enterprises, for example, are oriented towards [tackling] disability. You may find people on their boards or their governance structures who have disabilities. Social enterprises always aim to be open and transparent,” said Cornford.

The sector is growing and developing. According to recent results, there are now 70,000 social enterprises in the U.K. which account for 5 percent of all businesses. They contribute 25

billion pounds (US\$35 billion) to the economy and employ more than a million people.

“And I think the message here is this is no longer a fringe activity. This is making a mainstream contribution to the economy and to the employability of people. Social enterprises are now operating in almost every single industry, from education and housing to transport and manufacturing,” she added.

Social enterprises are not just making a financial contribution, but are working with a diverse community.

In Kazakhstan, public procurement has been provided for non-governmental organisations (NGO) since 2005. Grants have also been issued by the grant financing operator since 2016. Financing has increased by 1.5 times compared to the previous year and totals more than 900 million tenge (US\$3 million). Rewards are provided to NGOs to solve social problems. The annual Asar (Together) forum is aimed at interaction among the state sector, business and NGOs.

Social enterprise is a relatively new concept in Kazakhstan. Nevertheless, as world practice shows, the model can be widely developed, said Eurasia

Foundation of Central Asia project specialist Andrey Bachishe.

“Studies demonstrate low awareness and absence of a universally-accepted understanding of what social entrepreneurship is. People hesitate to invest in business that does not provide fast profits,” he said.

He also pointed to the low level of business culture and legislation that does not provide incentives.

Since 2016, the foundation, in co-

operation with Chevron, has released a list of Kazakh social entrepreneurs to raise awareness among NGOs and business and academic communities. Green Tal, a company that trains and employs people from vulnerable social groups, Adal Niet Astana, a social centre assisting older people and a medical centre in the Mangistau region involved in treating and rehabilitating children with physical challenges were named as successful projects.



British Council in Kazakhstan Director Jim Buttery delivers remarks Jan. 31.

TOURISM

WEDNESDAY, FEBRUARY 14, 2018

Official Almaty travel guide explores city in 72 hours

By Zhanna Shayakhmetova

ASTANA – The Visit Almaty tourist information centre presented the Almaty 72 project Feb. 6 for tourists and business travellers visiting the city for up to 72 hours.

A recommended list of things to do and places to visit includes the main sights – the Medeu Ice Rink, Shymbulak Ski Resort, Green Bazaar, museums and other locations around the city. Tourists are also offered a chance to taste all the traditional Kazakh dishes, as well as the famous Apot apples.

The free brochure in Kazakh,



Kamila Lukpanova

Russian and English is provided when visitors enter passport control at the airport. It is also available at railway stations, Visit Almaty information stands and more

than 40 points throughout the city.

“We conducted a study in 2017 dedicated to competitiveness and prospects of tourism development. As a result, we presented the 100 Steps analytical document with a set of recommendations and specific actions for all players in the tourism market. These successive steps are necessary for the development of tourism, from a marketing plan for promotion to the improvement of service at the airport, railway and bus stations,” said Visit Almaty tourist information centre head Kamila Lukpanova.

Launched a year ago, the information centre promotes Almaty as a tourist destination and has useful information about one’s stay, city services and events. The company was founded under the Almaty Tourism Department and operates according to Destination Marketing Organisation (DMP) standards.

The company is involved in promoting the city and increasing the tourist flow. Visit Almaty is also a research centre that investigates the latest trends in country branding and promotion.

“We study the world ratings and learn from the experience of developed tourist destinations. The partnership with the World Tourism Organisation (UNWTO)



The Almaty landscape.

and a media campaign in cooperation with Euronews, Eurosport and BBC covering an audience of more than 50 million viewers and promotional campaigns are among our main achievements,” she said.

The company conducted a full inventory of more than 30,000 tourist sites in Almaty and the

Almaty region to reveal the advantages of attracting visitors and added restaurants, hotels and hostels to the database.

The www.visitalmaty.kz website was launched as a main information platform for foreign tourists to plan their visits, with a single event calendar to learn

about interesting city events. The company collaborates with TripAdvisor and develops free maps, travel guides and WiFi routers for rental.

This year, the centre plans to take part in international exhibitions and road shows and launch the corporate website.



The famous St. Ascension Cathedral in Almaty.

Five-star hotel, recreation areas to open this year on Alakol Lake

Staff Report

ASTANA – Two recreation areas and a five-star hotel will open this year on Alakol Lake. The construction of a railway station and repair work on area roads are also under way.

“This year, there are plans to open two more recreation areas and a five-star hotel for 500 people. Besides that, the construction of another large hotel worth 10 billion tenge (US\$30.7 million) has started. The design and estimate documentation is also being prepared for the recreational park, occupying four hectares on the shore of Alakol Lake,” said Head of Business Department of Alakol District Daulet Zhuandykov.

Tourism in Zhetisu, one of the most picturesque regions in Kazakhstan, is on the rise. The number of tourists travelling to the lake reached a record high of nearly 753,000 in 2017 compared to 452,000 in 2016.

“This year the number of visitors to Alakol Lake can set a new record. This is not solely due to

the increasing demand for domestic resorts. Apart from the beach area, there is also a unique nature reserve. Every year, safari tours, eco-festivals for ornithologists and fishing enthusiasts are held in the foothills of Jungar Alatau Mountains,” added Zhuandykov.

Kazakh President Nursultan Nazarbayev emphasised in his recent state-of-the-nation address that developing domestic tourism

will increase tourism income and that additional tourism infrastructure is being constructed.

A railway station is also being built at the Akshy station near the lake. The Usharal Airport, opened last year, has served more than 5,500 passengers. Flights from Astana, Almaty and Taldykorgan are provided weekly during the summer.

The reconstruction of the high-

way from Taldykorgan to Ust-Kamenogorsk through Usharal will begin this year and repairs to the Usharal-Dostyk highway, leading to the tourist zone, will be completed the following year.

Alakol Lake, the second largest salty reservoir in Kazakhstan, is located on the border of the Almaty and East Kazakhstan regions and is popular with tourists from May to September.



Photo credit: IP-Kazakhstan.kz

Air Astana sees 22 percent revenue increase in 2017

By Yerbolat Uatkhanov

ASTANA – Air Astana’s passenger traffic grew 12 percent and revenues 22 percent in 2017 after declines in 2015 and 2016. The airline carried 4.2 million passengers last year. Growth in cargo transportation reached almost 30 percent.

“Astana EXPO 2017 and in-

creased transit traffic through the new terminal at Nursultan Nazarbayev airport in Astana became the main drivers of growth,” said Air Astana President and CEO Peter Foster. “The exhibition was a great success and significantly exceeded expectations on the number of visitors. Transit flow increased by 58 percent and now makes up 12 percent of the total passenger traffic.”

“Our comparatively low unit costs allowed us to successfully develop this segment, being competitive in key foreign markets such as Russia, China, India and the EU, as well as in smaller fast-growing markets such as Ukraine, Georgia and Uzbekistan. Although further growth is expected in 2018, now in most regions the industry operates at peak or near peak capacity, while fuel, personnel, airport and other consumer charges are under pressure. Controlling costs while maintaining quality standards will be the main challenge in the coming period,” he said.

Capacity increased 7 percent due to new flights from Astana to Delhi and Kiev, as well as additional flights to London, Beijing, Seoul, Moscow, St. Petersburg, Ekaterinburg, Novosibirsk, Omsk, Tbilisi, Tashkent, Istanbul, Bangkok, Dubai and Urumqi.

The airline has received a new airliner A321neo, the second of the A320neo family to join the company’s fleet. It also confirmed an order for five regional E2 new-

generation aircraft. The first regional aircraft will be delivered in October. The company is set to receive a total of 23 new aircraft: 15 A320neos, five E2s and three Boeing 787s.

Air Astana currently operates more than 60 international and domestic flights out of the Almaty and Astana international airports. The company’s fleet consists of more than 30 aircraft, including Boeing 767-300ERs, Boeing 757-200s and Airbus A320s, A320neos and Embraer E190s.

The airline became the first carrier among the Commonwealth of Independent States (CIS) and Eastern Europe to be awarded a prestigious four-star rating by the international agency Skytrax in 2012, as well as the title of Best Airline in Central Asia and India. Air Astana repeated both awards for the next six years.

The company, now a joint venture between Samruk Kazyna Sovereign Wealth Fund and BAE Systems Plc, will be partially privatised this year.



Photo credit: Air Astana

Kazakhstan among world’s leaders in civil aviation security, minister says

Staff Report

ASTANA – Kazakhstan recently passed an audit of aviation security of the International Civil Aviation Organisation, joining the world’s leading nations in civil aviation security, said Minister for Investments and Development Zhenis Kasymbek.

“Kazakhstan has successfully passed an audit of aviation security of the International Civil Aviation Organisation (ICAO) and confirmed the high level of compliance with international standards, which means that our country has become a member of the group

of the world’s leading countries in terms of aviation security,” the minister wrote on his page on Facebook.

He also noted that the level of compliance of the Civil Aviation Committee of Kazakhstan’s Ministry for Investment and Development with the requirements of the ICAO totalled 83 percent, which is 21 percent higher than the 2009 audit, when that indicator stood at 62 percent. The improved indicator exceeds the world average level, which is 72 percent, by 11 percent.

The ICAO audit is considered an important tool to gauge a nation’s aviation security. A negative audit can result in flight restrictions.

First virtual museum launches in Taldykorgan



By Frol Leandroer

ASTANA – The first virtual museum in Kazakhstan recently launched in Taldykorgan, 24.kz reported.

A group of young artists created the “Zhetysu 360” project under the Digital Kazakhstan programme. It will be possible to see the unique places of the region on different digital media, at any time and free of charge. The main requirement is an internet connection.

While the advanced development includes two museums, they are located in Taldykorgan. These are the museums named after

Tynyspayev and Zhansugurov. All the exhibits can be viewed by wearing special glasses. Videotapes also have voice support in the Kazakh language. The project is a pilot project, but soon the sacred sites of the Zhetysu (Seven Rivers) will appear on the site. According to the developers, the programme will be regularly updated.

“The project will be accompanied by an audio guide in three languages: English, Kazakh and Russian, and will be followed by a video and photos later. If the museums are replenished with new exhibits, we plan to update it at a certain time,” said Project Creator Meirhat Tolkunov.

WEDNESDAY, FEBRUARY 14, 2018

Kazakhstan to face off against Croatia in Davis Cup quarterfinals



Dmitry Popko

By Aigerim Sadykova

ASTANA – Kazakhstan's men's tennis team beat Switzerland in the first round of the Davis World Cup, held Feb. 2 to 4 at National Tennis Centre of Astana. Timur Khabibulin and Aleksandr Nedovyesov won their doubles rubber matchup, according to ATP World Tour.

"These two days proved that anything can happen in the Davis Cup," Nedovyesov said after the match. "Losing the fourth set, it was difficult to get back into the game. I think at that moment the Swiss were the favourites in psychological terms, but thanks to our team morale and support from the captain and fans, we were able to return. As a team, we continued to believe in each other and follow our plan. We believed that we are the best, that we can eventually achieve the victory."

The results of first day gave the Kazakh team the chance for a quick victory with a 2-0 team score in the singles rubber. Starting to play in 2017, Dmitry Popko defeated Henri Laaksonen,

the first racket of Switzerland. And Mikhail Kukushkin, who has competed in Davis Cups since 2008, won his battle against young Swiss player Adrian Panatta.

A five-set doubles match became the big game for both teams, as the result could have tipped the competition to one country or the other. Khabibulin and Nedovyesov won the first sets, 6-4, 6-4, over Swiss players Marc-Andrea Huesler and Luca Margaroli, but fell behind in the third, 3-6. However, the deciding sets ended with 6-7(5), 6-3 scores for the Kazakh duo, sending Kazakhstan to the Davis Cup quarterfinal early with a 3-0 team score.

With the competition settled, the Kazakh and Swiss captains decided to play fourth and fifth matches on Feb. 4 for training. Switzerland's Huesler and Bodmer faced Roman Khassanov and Popko. Switzerland got one point and the score became 4-1 in favour of Kazakhstan.

Winning four games of five in the first round, Kazakhstan will now face Croatia, who come to the quarterfinals with a score of

3-1 over Canada. The Davis Cup quarterfinal will be held April 6 to 8 and Kazakhstan will play in a guest's court. This time, the Kazakh team will have tough battle against the third racket in the world in singles, Croatian Marin Cilic.

This is Kazakhstan's fifth participation in the Davis Cup quarterfinals and the country's first victory in the World Group after a year-long drought. Playing in the World Group since 2011, Kazakhstan fell to the Serbian team with a score of 2-3 and went to the playoffs round in 2016. The next year, Kazakhstan's men's tennis team returned to the Davis Cup World Group by defeating Argentina in the playoffs at Astana's National Tennis Centre in September.

The Davis Cup, the largest international team competition in men's tennis, has annually gathered players from different countries to fight for the title of world tennis champion since 1900. The idea of the Davis Cup arose when four members of the U.S.' Harvard University tennis team wanted to arrange a match between the U.S. and Great Britain.

GGG, Canelo rematch scheduled for May 5

By Anuar Abdrakhmanov

WBC, WBA (Super), IBF and IBO middleweight champion Gennady "GGG" Golovkin and Saul "Canelo" Alvarez have signed a contract for another fight, according to an official announcement by the boxers, their representatives and promoters.

The rematch is scheduled for May 5, although the location of the match is not yet determined. The day was chosen for a reason, as Cinco de Mayo is one of Mexico's main national holidays, according to organisers.

The first Golovkin vs. Alvarez fight, held Sept. 16 in Las Vegas, ended in a draw. The Kazakh boxer retained all his titles, but broke his streak of 37 consecutive wins. The outcome caused controversy, however, since most fans thought Golovkin deserved the victory, and one of the three judges of the match, who gave victory to Canelo, was later suspended from judging major bouts. Now, the two boxers will have another chance to show who is stronger.

Alvarez has indicated he is going



Photo credit: Timur Kazarbayev

to knock out Golovkin, leaving him no excuse in the face of the judges, to which GGG tweeted, "You're right. This time, we will not need the judges."

Golovkin added he is glad to have another chance to meet Alvarez in the ring.

"I'm ready to fight Canelo again and I'm happy this bout will take place. It's a fight the world wants to see. This is the boxing I'm worthy of. I didn't agree with the opinions of some judges in the first fight. However, this time there will be no doubt.

I'm going to leave the ring as a middleweight champion," he said.

Golden Boy Promotions General Director Oscar de la Hoya, which represents Alvarez, also weighed in, according to BoxingScene.com.

"The Canelo vs. GGG rematch will be the biggest event in boxing and the best event of 2018. The two elite boxers will face each other again to find out who is the best middleweight in the world. I expect the rematch to be even more intense, as both fighters know that this time much more is at stake," he said.

Eagle hunting competition keeps ancient tradition alive

By Dana Omirgazy

ASTANA – Some of the best eagle hunters from across Kazakhstan met Feb. 2-4 in the Urdzhar district of the East Kazakhstan region to compete in the 12th annual National Eagle Hunting Championship.

Ancient traditional hunting with birds remains popular among Kazakh people. The contest brought together 39 eagle hunters from 10 regions.

Urdzhar District Akim (Mayor) Serik Zaimuldin said the competitions were dedicated to the 20th anniversary of the Kazakh capital.

"The competitions were held at a high level. I express great gratitude to all sponsors of the event. Approximately 40 birds demonstrated their skills. Every year, the number of eagle hunters increases in the country. This speaks of the

popularisation of our national sport," he said.

To take part in the event, participants make it through a preliminary stage, where the judges evaluated the equipment and dress of the hunters, as well as the condition of the birds.

Eagle hunters competed in catching hares and foxes. According to the audience, the former was especially spectacular. Nurgali Alikulov and his golden eagle from the South Kazakhstan region won the competition and received 250,000 tenge (US\$773). Urdzhar eagle hunter Nugym Kaidar and Almaty resident Yeltai Muptekeyev took second and third place respectively. All winners were awarded cash prizes.

Today, there are at least 100 eagle hunters in Kazakhstan. Representatives of the great Kazakh tradition gather in different regions of the country to share their experiences. Parenting birds requires a lot of pa-

tience and skills as well as sincere love for their birds.

This year, Almaty hosts the Kyran-2018 eagle hunting tournament Feb. 8-10 within "The Course towards Future: Modernisation of Kazakhstan's Identity" programme for the first time ever.

The event is organised by the Kyran Federation with the support of the regional governor's office and the Zhalayir Shora Eagle Hunting Centre. Kyran federation aims at preserving the national traditions and historical heritage of the Kazakh people, including eagle hunting.

On Feb. 23-25, Eagle Hunting competitions will be organised in Uralsk.

Hunting with golden eagles is included in the UNESCO's World List of Intangible Cultural Heritage. The ancient nomadic tradition of Kazakh ancestors promotes love for the country, culture and heritage.

Ten HC Barys facts from 10th KHL season

By Ilyas Omarov

ASTANA – Despite the fact that the 10th regular Continental Hockey League (KHL) Championship is not over yet, for the fans of Astana Barys it has become a mere formality, since their favourites, for the first time in history, have lost their chances for the playoffs a few rounds before the end of the regular season. Barys players previously made the playoffs eight times and did not get there in 2015-2016 only due to the last match outcomes of the regular season.

I would like to highlight the 10 most noteworthy facts of the 10th KHL Championship which Barys players experienced. Just to be clear, I would like to note that this is simply a subjective opinion.

1. By the traditional first break in the regular season of the KHL Championship associated with the European games, Barys finished in first place in the Eastern Conference. The history of the club had a moment when the team rose to the top of the regular KHL season, but never before had Barys headed any conference, even its own, when the league was on a break.

2. In the away match in Ufa against local Salawat Yulayev, having lost one goal with score 3:2, Barys replaced the goalkeeper with the sixth field player in the final minutes of the game. Barys not only equalised the score, but also won that match with a convincing score of 5:3. It took Barys only 46 seconds to put up three goals and

they did all of that in the last minute. There has been no such case before in the annals of the KHL.

3. Captain and menacing Barys attack line Nigel Daws became the second player in the history of the KHL to score 35 goals in the past two different seasons. Last season, he scored 36 goals in the regular championship. One can only guess how many goals Dozzi could have scored if he had not missed nine games in the regular season due to his injury.

4. After the first break in the regular season Barys set its own abysmal record, scoring only 7 of 60 goals (!) in the next 20 matches. Because of this, the club dropped from first to 10th place when the KHL finished the regular season.

5. A very strange exchange of Barys' centres – Martin Saint-Pierre to James Wright from Admiral (Vladivostok) right during the season gave grounds for many talks. Everyone remembers in the past how Saint-Pierre succeeded in replacing the attacks of Dustin Boyd on the first line and this season he is always very helpful in the beginning. Technically, age-dependent Saint-Pierre asked for a profitable contract and a place in the top three, which he received in the Far East; however, after the financial problems of Admiral HC, its prospects have become vague. As for Wright, he really has not yet settled in Barys.

6. The resignation of head coach Yevgeny Koreshkov, whom experts called at the opening of the season and, reasonably so, the "coach of the season," was the first

news in the 2018 calendar – the fans learned on Jan. 1. A trainee of the national school, Koreshkov soon became a victim of circumstances. It is impossible to forget one of his innovations, slightly risky and even adventurous according to hockey standards. In overtime, when the teams played 3 on 3, Koreshkov frequently replaced the goalkeeper with the fourth field player during the game in the opponent's zone. Once, it resulted in victory in the home game against Vityaz from Podolsk.

7. Swedish Barys goalie Henrik Karlsson expressed his intention to play for the national team of Kazakhstan. To get accustomed with such decisions of North American legionnaires, this is the first time when we can witness the desire to play for the turquoise flag of a Swedish national. In addition, Karlsson is remembered for a match-penalty for contacting the referee and was subsequently disqualified for three matches.

8. Disallowed goals by Barys caused great resonance in the league. Shots right in the goal cage after the attacks by the snow leopards were cancelled six times in eight away matches. The penalty match by defender Kevin Dallman (5+20) in the match against Moscow Dynamo was subsequently annulled by SDS and replaced for two minutes. But at the end of the five-minute removal of the centre of the Dynamo, Boyd, the former Barys player, put the fifth puck in the net of his former team, which decided the outcome of the game against Barys.

9. The discovery of the Barys season and, perhaps, the KHL as a whole, was the game of Canadian Linden Vei, who jointly with Daws and another acquisition of the snow leopards – Matthew Frattin, another Canadian – made the first line of attack, having successfully replaced the trio of Bochenki-Boyd-Daws. For a long time Vei headed the list of scorers of the league, remaining its best playmaker. However, persistent rumours

state that after the resumption of the regular season, discrepancies in the team between the leadership of the club, the coaching staff and the players have had legitimate reasons. How can one otherwise explain the aforementioned abysmal record series of matches and the decision of the coaching staff that did not take its best scorer, Vei, with the formulation of "lowering sports performance" in the penultimate round stand.

10. For the first time in KHL history, an interim head coach of the league was invited to lead the team of the division for the All-Star League game within the framework of the Hockey Stars Week in Astana. That was Galym Mambetaliyev, interim head coach of Barys, under whose leadership the team hadn't scored any points by that time.

This is a quite ambiguous way Barys would be remembered this season.



Photo credit: Ilyas Omarov

WEDNESDAY, FEBRUARY 14, 2018

TSE Art Destination opens in Astana, holds first modern art exhibit



Dina Baitassova

By Meruyert Abugaliyeva

ASTANA – TSE Art Destination, which combines a modern art gallery, educational centre and experimental art lab, seeks to make art an indispensable part of capital life. The first exhibit featured the work of Kazakh artist Almagul Menlibayeva, who works and lives in Almaty and Berlin. It will run through March 18.

Gallery owner Dina Baitassova studied fine arts and design at Sorbonne University, Paris, and interior design at Istituto Marangoni, Milan. For 11 years she lived in Paris, where she founded the International Art Development Association (IADA) to promote Kazakh art abroad.

“We brought Kazakh artists and their works to exhibitions in Paris, Dubai, London, Vienna and Venice. Although little was known about Kazakh art abroad, there was a genuine interest. However, at some point in time I realised that if arts are not developed internally, there is no point in promoting it outside. Both need to be done simultaneously. Therefore, I decided to open TSE Art Destination here in Astana,” she said.

Baitassova wants the gallery to be a place open for anyone who seeks to learn more about art and its history. Moreover, TSE Art Destination will serve as a venue for master classes for children and adults and discussion point and platform for multidisciplinary projects involving art, poetry, design and architecture.

“We have already selected the artists and the works which will be presented in our gallery during the next two years. Our curators contact the artists directly and pay special attention to the works we will exhibit. The artists cannot just rent the place and present their pieces of art. The location of the gallery in the historic part of the city creates a cosy atmosphere. Recently, I heard that the nearby area around Zhastar Sarayi will be dedicated to creative industries and that is a fortunate coincidence,” she noted.

The gallery plans to cooperate with international organisations such as the British Council, Alliance Française and famous art institutions. The gallery hosted the Jan. 25 Night of Ideas with the theme “Power of the Imagination” organised by Alliance Française, an event which allowed intellectuals, researchers and artists to share ideas.

The opening ceremony was marked by exhibiting 21 of Menlibayeva’s works with the theme “Green, Yellow, Red and Green Again,” referring to traffic lights.

“We live in a globalised world. Traffic lights are a simple, well-known and ubiquitous language. If one knows the traffic rules he or she can easily find out where to go, even though there are a lot of roads, and then go far. Despite the fact that the world is heterogeneous and people are also different, these common rules allow us to live together and move closer towards our dreams,” said Menlibayeva.

She uses photography and videography in her quest for answers to questions such as “Who am I?” and “Where am I going?” She believes studying the past will allow Kazakh people to find where

they belong in the modern world and where they are going.

“There are scars of the past that we need to identify, accept and treat. Most are connected to our Soviet past and the history of nuclear experiments. Although the totalitarian regime is gone, the remnants are still present in our thinking. We struggle accepting that everyone has the right to differ, but we need to fight that off.

of Kazakhstan’s Identity) programme and believes culture and arts should be also included and developed strategically.

“We can import everything except culture, which must be authentic. Modern art can illustrate our culture and history, show us who we are and help us create the national image,” she said.

“An artist is an asset to the country and the nation, since the

education needs to be promoted on a large scale and should not be centralised in two cities. She noted the importance of holding exhibits, opening galleries and establishing art institutions in small cities, since they have unique history and culture. Her last exhibition in Kazakhstan on Karlag, one of the largest Gulag labour camps, was more welcomed in Karagandy, since people there



Visitors during the opening ceremony of the exhibition Feb. 9.

We should also remember our nomadic past, eradicated in the 1930s. The nomads were mobile; they preferred minimalism and functionality. This is certainly on trend today, so we have something to share with the rest of the world,” noted Menlibayeva.

The artist reacts positively to Ruhani Janghyru (Modernisation

one who thinks critically and knows history, sociology and philosophy cannot be dangerous, but helps to look at the situation from another perspective. Therefore, we need to promote modern art, alter the way art is taught today and support promising young artists,” she added.

Menlibayeva believes cultural

share that experience, she noted.

The artist had a personal exhibition in Grand Palais, Paris, and her works have been presented at biennales in Berlin, Kiev, Moscow, Sharjah, Sydney and Venice. Menlibayeva is also one of five Kazakh artists whose works were auctioned at Sotheby’s in London.

DBK funds wind energy farm to open in 2019

By Meruyert Abugaliyeva

ASTANA – The Development Bank of Kazakhstan (DBK) is financing CATEC Green Energy’s construction of a wind power plant near the capital. The initial section, with a capacity of 50 megawatts, will be completed by mid-2019.

“The wind farm construction will contribute to the fulfilment of Kazakhstan’s international commitments to reduce greenhouse gas emissions. The project is also in congruence with the national strategy of transition to a green economy,” said CATEC Green Energy deputy director for technical matters Yedil Sarayev.

The plant will be in Kostomar village, approximately 40 kilo-

metres from the city. The project costs 46.1 billion tenge (US\$143 million), with 30.5 billion tenge (US\$94.8 million) issued by DBK as a 10.5-year loan and 3.6 billion tenge (US \$11.2 million) provided by its subsidiary, DBK-Leasing, to purchase equipment. The company will use 12 billion tenge (US\$37 million) of its own funds.

Once the first part is finished, the plant will be equipped with the necessary infrastructure and 15 Vestas wind generators. Approximately 300 jobs will be created during construction and 20 permanent positions will be offered to service the station.

After the second part is commissioned, the total capacity will reach 100 megawatts. The renewable energy will meet the demands of 10,000 families and

simultaneously reduce reliance on fossil fuels.

“Environmental considerations are an integral part of the project. The launch of the wind power plant will allow reducing greenhouse gas emissions by 230,000 tonnes per annum, which exceeds the emissions of 113,000 cars per year. New developments and technologies for wind energy conversion adapted to the region’s climatic conditions will be applied,” said DBK’s client service senior banker Aizhan Bitebayeva.

CATEC Green Energy was established in 2014 to execute investment projects related to renewable energy sources. The company is also constructing a wind farm in Mangistau region and has contributed to the solar plant in Kapchagai and wind farms in Ereimentau and Shelek.

Face recognition system launched in city administration building

Staff Report

ASTANA – The Astana city government recently launched a facial recognition system to identify people entering Astana’s government administration building and hopes to launch the technology in other public areas of the city.

“A pilot project for facial recognition is launched in the capital’s administration building. It is important to introduce this technology around other parts of the city (at the airport, railway stations, buses, shopping centres) as well, to ensure the security and convenience of citizens. Thus, (the) Serghek (facial recognition system) covers all roads, intersections, parks, other projects will cover school video cameras, entrances of apartment houses, yards,” Astana Akim (Mayor)

Asset Issekeshv wrote on his Facebook page.

He also quoted a statement by Astana Innovation chairman Olzhas Sartayev.

“Today, a new pass system based on the principle of facial recognition has been launched in the Astana city government. This system is part of the general transformation of the city administration. The technologies are built on the basis of the system of the well-known Serghek, that is a 100 percent Kazakh production. One of the partners in this segment, as you know, was our company,” Sartayev wrote on his Facebook page.

He spoke about the principles of the system: first, the operator loads a visitor’s photo; then the system reads the face, an alert sounds and the door opens.

“As for the city government it-

self, this system, being an important part of the Open City Government programme, will allow us to optimise and automate the work of the city government, we will be able to abandon the Soviet-style pass bureau, get rid of barriers, exclude the human factor, significantly reduce waiting time, reducing it practically to zero,” wrote Sartayev.

He also said similar systems are planned to be implemented throughout the city.

“We are planning to expand the zones for the use of new technologies, and after successful testing, we plan to equip crowded places for security. Already, we understand that the system will improve the search for criminals, missing persons and much more. It will become an important link in the system of city security, over which we are now actively working” he said.

THE ATOM PROJECT

NUCLEAR TERRORISM. THE THREAT IS REAL.

DENY THEIR CHANCE TO DESTROY OUR LIVES. SIGN ON FOR A NUCLEAR WEAPONS FREE WORLD.

TheATOMProject.org