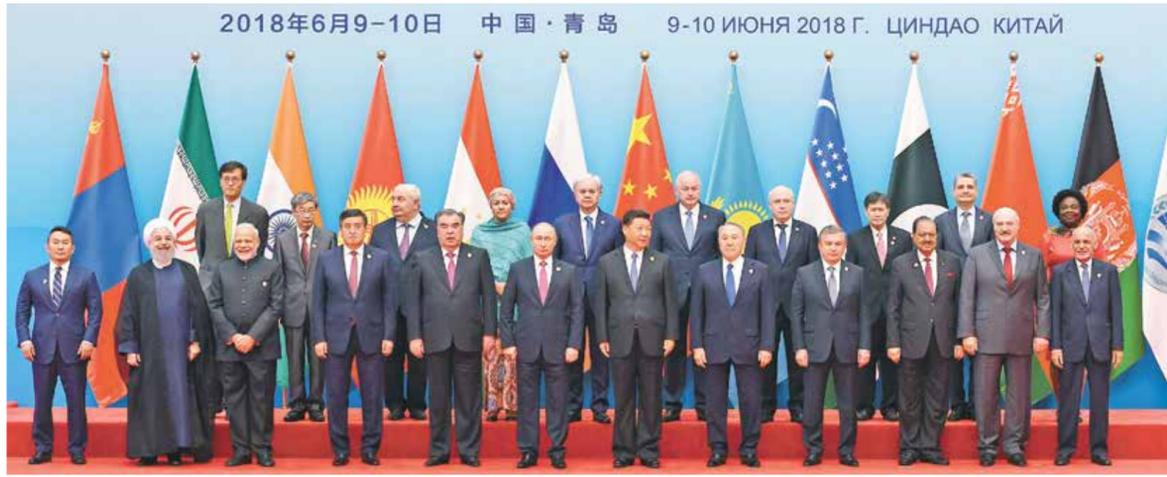




## Nazarbayev calls for greater multilateral economic cooperation within SCO



Leaders of eight SCO member states pose for a group photo along with invited guests from other observer countries and partners for dialogue, as well as representatives of numerous international organisations.

By Elya Altynsarina

ASTANA – Kazakh President Nursultan Nazarbayev addressed the 18th Summit of the Shanghai Cooperation Organisation (SCO) June 9 in Qingdao, China calling for greater multilateral economic cooperation among its eight member states.

Nazarbayev told the gathering the recent addition of India and Pakistan has increased the organisation's international influence.

"After the accession of India and Pakistan during the Astana summit, the SCO has significantly strengthened its role as an influential player in regional and international policy," he said.

He also urged inter-organisation cooperation through the Treaty of Good-Neighbourliness and Friendship and Cooperation.

"The combined strength of the three-billion human potential of our countries shall be used to en-

hance the economic cooperation of the SCO, so it is important to ensure the transformation of trade and investment projects between our countries from a bilateral to a multilateral level," he said. "And we are in favour of creating joint mechanisms for financing projects and mobilising technological resources within the framework of the organisation."

The Kazakh President also proposed creating a platform to exchange information on digitisation and advanced technologies and cooperation on infrastructure "megaprojects" utilising the scientific, financial and human capacity of SCO member states.

Nazarbayev also proposed building the Eurasian high-speed railway (EHSRW) along the Beijing-Astana-Moscow-Berlin route. "These projects will unite the promising format of cooperation between the SCO and the Eurasian Economic Union (EAEU), and in the future, hopefully, the E.U.," he said.

He also told the gathering that the new Astana International Financial Centre will assist SCO member state financial systems. He also reminded the group that an International Academy of Silk Road Sciences was created last year and that science organisations from 30 countries have agreed to work with the academy to support the Belt and Road Initiative.

On a global scale, Nazarbayev noted Kazakhstan's Astana Process peace talks on Syria and Kazakhstan's commitment to help develop Afghanistan.

He also said Kazakhstan supports achieving a nuclear-weapons-free Korean Peninsula through peaceful means only and continues its support for the Joint Comprehensive Plan of Action (JCPOA) on Iran's nuclear programme.

He also invited SCO members to the Sixth Congress of Leaders of World and Traditional Religions Oct. 10-11 in Astana.

The SCO meeting resulted in the signing of 17 documents and five memoranda. The group also discussed using national currencies within the organisation. The meeting marked the end of China's chairmanship, which was assumed by Kyrgyzstan.

On the sidelines of the meeting, Nazarbayev held bilateral talks with Prime Minister of India Narendra Modi and President of Mongolia Khaltmaagiin Battulga.

Speaking to the media following his visit to Qingdao, President Nazarbayev said he had a trust-based dialogue with his Chinese colleague, Xi Jinping. "There are no unsolved issues between our countries, but an open road for further development," he noted.

He said the meeting with China's leadership focused on industrial-innovative cooperation and investment projects, noting agreements have been signed for 51 projects and that 1,200 joint enterprises are already operating.

## FIC focuses on modernisation efforts

By Aigerim Seisebayeva

ASTANA – The 31st plenary session of Kazakhstan's Foreign Investors' Council themed "Accelerated modernisation" discussed digital transformation, new technologies and prospects for further economic growth at a June 6 meeting here.

Kazakh President Nursultan Nazarbayev briefed the session on Kazakhstan's efforts to ensure the stability of the national economy in the face of global challenges.

"We are witnesses and participants of rapid global changes and challenges that come with them. To overcome them, I set the task of the Third Modernisation a year ago. Macroeconomic stability is being ensured, the business climate is improving," said the President.

The Foreign Investors' Council was established in 1998 to facilitate dialogue between the Kazakh government and foreign investors

and address challenges related to foreign investment in Kazakhstan. The council includes heads of 35 multinational companies and international organizations such as the European Bank for Reconstruction and Development (EBRD).

This session was themed "accelerated modernisation" and addressed digital transformation, new technologies and prospects for economic growth.

In his brief, the president outlined efforts to modernise the country's economy and increase its competitiveness.

"The first one is the improvement of the regulatory environment. The new Code on Subsoil and Subsoil Use, tax and customs codes have come into force. A package of legislative amendments on business regulation has been adopted. OECD (Organisation for Economic Cooperation and Development) standards are applied in all spheres," he said.

Continued on Page A2

## AIFC announces plan to speed foreign investment in Kazakhstan

By Yerbolat Uatkhanov

ASTANA – The Astana International Financial Centre (AIFC) announced at a May 30 business conference in Astana plans to help reduce bureaucratic delays experienced by foreign investors.

"We are creating an environment of 'Zero Bureaucracy' for doing business. From the very beginning, a businessman, an investor, will be engaged in the things for which he comes to the AIFC: setting up a company, getting a license, reporting to tax authorities and so on, all of this will be unseen to the potential investor. The investor will be presented with one single simple webpage with accessible and understandable services. While 'behind the scenes' is a whole ecosystem," said AIFC Information Technology Department Director Aare Laponin.

The announcement came during a conference sponsored by SAP, which attracted hundreds of international IT experts who discussed innovations in government and business digitisation.

tion. AIFC also presented the centre's vision for digitised processes.

AIFC Chief Digital Officer Assel Zhanasova said that in addition to the concept of Zero Bureaucracy, the AIFC is digitising its arbitration centre, the court and financial regulator. At the same time, the AIFC will also predict the risks and threats of artificial intelligence.

"We would like to simplify the process of registration, opening a bank account and obtaining individual identification number. So that before arriving to Kazakhstan, any investor could register a company, open bank accounts and so on. Also, we plan to completely switch to the platform of the electronic judicial system. All clients of the court site can participate in the process through a virtual room without even coming to Kazakhstan," Zhanasova said.

The AIFC authority is also implementing SAP Ariba system, which automates procurement processes. The system is meant to make procurement more efficient, transparent and cost-effective.

## On state visit to Beijing, Kazakh President meets Chinese leader, business executives



By Elya Altynsarina

ASTANA – President of Kazakhstan Nursultan Nazarbayev visited Beijing for a state visit to China on June 6-8.

The relationship between Kazakhstan and China has grown increasingly close in recent years: since 2012, the two countries have seen 18 meetings at the highest level and signed 127 bilateral documents for a total of about \$67 bil-

lion. The volume of mutual trade over the past year increased 30 percent to almost \$11 billion.

In Beijing, Nazarbayev met with Chinese President Xi Jinping, Premier of the State Council Li Keqiang and Chairman of the Standing Committee of the National People's Congress of China Li Zhanhu. The Kazakh President also led meetings of business circles of the two countries, and oversaw

the signing of nine bilateral documents.

After the official welcoming ceremony on June 7, Nazarbayev congratulated Xi on his recent reelection and the successful 19th Congress of the Communist Party of China.

Nazarbayev commended Xi for his personal contribution to the development of positive neighbourly relations in the spirit of friendship, equality, mutual cooperation

and respect for state sovereignty. "Our cooperation has been further strengthened within your initiative to build the New Silk Road Economic Belt," Nazarbayev noted.

Xi responded that China was ready to work with Kazakhstan on "building the bright destiny of mankind by applying intellectual and physical efforts, and I am ready to work with you on steering the ship of Chinese-Kazakh friendship."

He also agreed that bilateral relations and mutual trust between the two states have grown with the implementation of joint infrastructure initiatives, including the Belt and Road Initiative, one of many terms for China's massive infrastructure investment project along the old Silk Road network and beyond.

According to the Akorda press service, during the talks the Chinese side expressed interest in buying ecologically clean agricultural products and the parties discussed deepening bilateral cooperation in energy, oil and gas, new technologies and digitisation, as well as advancing cultural and humanitarian ties.

Recalling the visit of Li Keqiang to Kazakhstan in December 2014, Nazarbayev told Li that his bold and interesting ideas launched joint industrial and investment programme between the two states, and led to 51 projects totaling \$28 billion. Eleven of those are currently being implemented.

Continued on Page A3

## Government boosts e-commerce development

By Yerbolat Uatkhanov

ASTANA – Kazakh e-commerce turnover has reached 101 billion tenge (\$304.6 million) in the first five months of 2018, with 2.9 percent in retail trade turnover, according to Kazpost. To increase market volume, the government has improved legislation, upgraded the postal service and exempted e-commerce companies from taxes.

Minister of National Economy Timur Suleimenov reported on the progress of the Digital Kazakhstan initiative, highlighting the positive trend in developing electronic commerce. According to official statistics, the e-commerce market reached 106.9 billion tenge (US\$322.4 million) in 2017, 1.2 percent of the total retail turnover and a 36.2-percent increase.

Since the beginning of the year, 110 new e-commerce retailers have been registered, said Suleimenov.

The nation has 1,658 online stores employing 71,600 workers and the number of customers has increased 5 percent.

The National Bank drafted an instant payment system with the possibility of mobile phone use to develop digital financial services. The system aims to provide a convenient and affordable tool for online inter-bank payments on simplified requisites. Plans are underway to test the pilot system in August. Electronic wallet, designed to pay for mobile services, was launched in May.

The government is focused on developing a logistics infrastructure by creating logistics hubs and sorting centres. The first fulfilment centre opened in the capital in April. The number of processed parcels is expected to increase by 20 percent from 5.148 million to 6 million and the parcel delivery time reduced from 15 to 6 days and down to one day on certain express mail routes.

Continued on Page A4

### INSIDE

**NATION**  
Government appoints five new vice ministers to oversee digitisation **A2**  
Kazakhstan marks National Day of Remembrance for Victims of Political Repression **A2**

**ECONOMY&BUSINESS**  
Kazakhstan in consultations on easing OPEC oil output reduction agreement, says minister **A4**  
Zhambyl region initiates investment projects to boost industrial sector **A5**

**EDITORIAL**  
Astana at 20: the reality exceeds the vision **A6**

**OPINIONS**  
KELIMBETOV: AIFC: local operations and international cooperation **A7**  
TUYAKBAYEV: Right approach to attracting foreign investment will unlock Kazakhstan's potential **A7**

**NATION&CAPITAL**  
International arts and culture journalists tour Kazakh attractions **B1**  
North Kazakhstan region develops camping, caravan tourism **B6**

# NATION

WEDNESDAY, JUNE 13, 2018

## FIC focuses on modernisation efforts

Continued from Page A1

The President stressed that attention should be paid to ensuring the rule of law and improving the quality of public administration.

“Second is the diversification of the economy and the introduction of new technologies. More than 1,200 new enterprises have been launched within the industrialisation programme; investment and export strategies are being implemented,” Nazarbayev said.

He also highlighted the importance of major projects with transnational corporations, the development of agrarian science, the transfer of technologies and maintaining high growth rates in the construction industry.

The President outlined the need to modernise the infrastructure as a third priority

“We are in the process of creating a Eurasian multimodal transit-transport hub. The Nurly Zhol infrastructure programme is aimed at strengthening the Eurasian integration and linking with China’s Belt and Road Initiative. The Astana International Financial Centre will be presented on July 5. It is to become the core of Kazakhstan’s financial infrastructure and a hub for the entire Central Asian region,” said Nazarbayev.

He also spoke in detail on the digitisation of economic sectors



Photo credit: akonid.kz

in the regions and on the national level.

“The fourth area is digitisation. We have launched the Digital Kazakhstan state programme. Digital technologies need to be introduced at enterprises in our basic industries, agribusiness, transport and other spheres,” he emphasised.

Nazarbayev also noted the need to develop human capital and the importance of transforming the education system.

“The fifth sphere is human cap-

ital development. The education system should be transformed with regard to economy modernisation and digitalisation. In this regard, I propose human capital development as the topic for the next meeting [of the council],” the President said.

Nazarbayev also instructed the government to consider all the recommendations of the working groups of the Foreign Investors’ Council and the proposals of the speakers at the event.

The President also introduced

new council members: President of the ExxonMobil Production Company Neil Duffin, Chair of the Management Board of the Eurasian Development Bank Andrey Belyaninov, President of Philip Morris International for Eastern Europe Region Marco Mariotti, and Director of Marubeni Corporation Shigeru Yamazoe. The board also included the Chair of the Board of Kazakhstan’s Atamaken National Chamber of Entrepreneurs Ablai Myrzakhmetov. Nazarbayev noted there are other

applications for membership, which will be considered.

Director of the European Bank for Reconstruction and Development for Kazakhstan Agris Preimanis also presented his recommendations on developing Kazakhstan’s economy and attracting investors.

He confirmed the need to develop human capital, noting the shortage of a high-quality workforce remains a key barrier to business development for foreign and local companies, according to a Kazinform report. He also stressed the need to develop a new environmental code and to exempt those who voluntarily paid penalties and taxes from criminal liability.

Chair of the Board of Directors of ERG S.a.r.l. Alexander Machkevitch proposed to accelerate the digitisation of Kazakhstan by creating a data management ecosystem, forbes.kz reports. He stressed the need to, first, create a national data storage centre in cooperation with all the players of the market – the state, businesses and the IT community. A national data analytics centre is also necessary, he said. It will raise the quality of data processing and formulate up-to-date tasks for the domestic market and solutions based on the real needs of both businesses and the state.

### NATIONAL NEWS IN BRIEF

The new terminal at Nazarbayev International Airport has served approximately two million passengers and operated more than 10,000 flights in its first year, according to the airport’s press service. “Fifteen foreign and two domestic airlines operate at the airport. The total capacity of the T1 terminal is 5.2 million passengers per year,” it noted in a June 5 release. The terminal opened May 31, 2017 as part of the Nurly Zhol programme and the first flight left from Astana to Moscow June 5. The 47,000-square metre terminal has a baggage handling system which complies with European Union standards, processing up to 1,200 pieces per hour.

Genesis Mining, the largest cloud bitcoin mining company, will invest about 1 million euros (US\$1.1 million) in a Pavlodar-based data processing centre in cooperation with KZ System, reported the National Blockchain and Crypto-Technology Association in a June 8 press release. “The pilot project aims to test, demonstrate and further develop the capabilities of Kazakhstan in the field of new computing technologies. The data processing centre of Kazakhtelecom is the only data centre with Tier III certification,” said the association.

Reconstruction of the 363-kilometre Karaganda-Balkhash Road will start this year financed by a 2018-2020 loan from the Export-Import Bank of China, reported Kazinform. Plans are underway to build a road maintenance company in Zhumabek village and road maintenance sites in Akchatau and Aksu-Ayuli villages and roadside service facilities are also expected to be constructed. “The implementation will be carried out on eight sites by a consortium consisting of the Chinese CITIC Construction, KazGerStroi and Todini Central Asia companies,” said KazAvtoZhol regional branch head Kanat Shaimin on May 29.

An open-air museum will be constructed at the Saryarka Egyptian-style pyramid in the Karaganda region, reported the regional press service. “Last year, this tomb structure was widely discussed worldwide. More than 200 historical monuments are located near the pyramid. Karaganda will host the international symposium of archaeologists in the autumn. We will invite Yasuyuki Murakami from Ehime University who worked with local archaeologists two years ago in the Alat settlement near the Kent Mountains,” said Karaganda region Akim (Governor) Yerlan Koshanov at a June 8 briefing.

Twenty IT classrooms offering 3D modelling, architecture, design, animation, programming and website creation will be opened this year in the Aktobe region, according to Kazinform. “The head of state set tasks related to the development of digitalisation. We almost completely solved these issues in our region except in remote villages where there is no internet. All city schools are equipped with computers and have access to the internet. We will improve the internet speed, too,” said Aktobe region Akim (Governor) Berdybek Saparbayev.

Parking services on Nurzhol Boulevard can be made through Egov.kz and Qamqor.gov.kz and Kazpost offices, according to the Astana mayor’s office. “The fine payment is immediately sent to the database due to the integration of the bank payment system with a single register of administrative violations. There is a need to indicate the budget classification code (number 204106). In case of incorrect indication of the payment code, the penalty will not be paid off. At present, 17 second-tier banks are connected to this system. The payment can be also made through the Kapsi and QIWI terminals and Qazkom website. The parking fines can be checked via @KazPostBot on Telegram,” noted the release.

## Five new vice ministers appointed to oversee digitisation

By Aigerim Seisembayeva

ASTANA – The Kazakh government appointed June 6-7 five new vice ministers to oversee digitisation within their ministries. They join Deputy Prime Minister Askar Zhumagaliyev who is responsible for overseeing the country’s digitisation process and who is colloquially known as “chief digital officer.”

The new appointees, in turn, were immediately dubbed “digitisation commissars” as part of the largely positive comments in social media.

Ruslan Yensebayev was appointed Vice Minister of Finance. He graduated from the Institute of Management in 2005, the Satpayev Kazakh National Technical University in 2013 and the International University of Information Technologies in 2016.

He started his career in 2001 as a leading specialist for the Centre for Informatisation of Financial Systems state company. He then held executive positions in the National Information Technologies Company, Kazakhtelecom national company, the Zerde National Infocommunication Holding and the Kazatomprom National Atomic Company. From June 2017 until present, he was Chair of the Board of Zerde.

Dinara Scheglova is now Vice Minister of Information and Communications. In 2004, she graduated from the Gumilyov Eurasian National University, in 2007 from the Ryskulov Kazakh Economic University and in 2012 from the Kazakh University of Economics, Finance and International Trade. She has a bachelor’s degree in management, as well as in information systems. Scheglova started her career in 2001 in the commercial industry, after which she worked as a consultant to the World Bank in Kazakhstan in 2008-2009.

From 2011 to 2018, she held executive positions at Zerde. Starting January 2018 to present, she held the position of Deputy Chairperson of the Board of Zerde.

Olzhas Abishev was appointed Vice Minister of Healthcare. He is a graduate of the Kyzylorda State University, the University of Aulie Ata, the Engineering College and the Andong National

University in South Korea. He has degrees in economics, computer science and law.

He worked at the Kazagromarketing Company, Kazakhstan Gharysh Sapary (space agency), the National Information Technologies Company, the National Medical Holding, the Centre for Medical Technologies and Information Systems, the Centre for Military Strategic Studies, Astana Innovations and the Turan Astana University, among others.

From September 2017 until present, he was Director General of Kazakhstan’s Republican Centre for Electronic Healthcare.

Nariman Mukushev was appointed Vice Minister of Labour and Social Protection of the Population. He is a graduate of the Suleyman Demirel University and the International Business Academy. He holds a bachelor’s degree in systems engineering and a master’s degree in business administration.

In 2005-2014, he worked at Kazkommertsbank, including as Director of Innovative Technologies Department. From 2014 to 2017, he was the Managing Director for Innovation and IT at Kazpost. From September 2017 to present, he held the position of Kazpost’s Managing Director for Business Transformation and IT.

Rustem Bigari was appointed Vice Minister of Education and Science. He graduated from the Ualikhanov Kokshetau State University in 1999, majoring in informatics and computer engineering. He holds a master’s degree from the Boston University (the USA) in information systems with a specialisation in cybersecurity. He is the holder of the Bolashak scholarship and a PhD in computer science, control and management.

He worked at the United Nations Development Programme in Kazakhstan, the National Information Technologies Company and the Administration of the President of Kazakhstan, where he was chief expert, consultant and then head of Informatisation Sector.

From August 2009 until present, he was Deputy Head of Department of Informatisation and Protection of Information Resources at the Presidential Administration.

## Kazakhstan marks National Day of Remembrance for Victims of Political Repression

By Zhanna Shayakhmetova

ASTANA – Kazakh President Nursultan Nazarbayev honoured the millions of victims of famine, forced labour, deportation and other consequences of decisions made by the Stalin-led Soviet government in the middle of the 20th century with an official statement published May 31 to mark the National Day of Remembrance for Victims of Political Repression.

“Today we commemorate the National Day of Remembrance for Victims of Political Repression. We should understand the root causes of this tragic experience for many people in the 20th century. Evolutionary development was stopped due to the October political coup that took place in 1917. After that, the Civil War destroyed peoples’ way of life, as did the rapid industrialisation and collectivisation of agriculture conducted by the Soviet authorities, along with famine and violence,” said Nazarbayev.

The President said that the significant population losses experienced by Kazakhstan are rarely witnessed in history.

“Approximately 2 million people died and about 1 million more were forced to leave the country from 1929 to 1933. Political repression led to the mass deaths of the best representatives of Kazakh intelligentsia. For politi-

cal reasons, 103,000 people were convicted of crimes and 25,000 of them were sentenced to death. Eleven [labour] camps were established in Kazakhstan. Repressed peoples and members of their families lived there in severe conditions,” he said.

“The Kazakh Khalkyna Myn Algy [Gratitude to the Kazakh People] monuments erected in different regions of the country symbolise the sincere gratitude of numerous ethnic groups who found shelter on the Kazakh land. Our people kept their best human qualities despite many losses.”

The head of state noted that “not only Kazakh people but also 1.5 million repressed representatives of other ethnic groups were forcibly deported to Kazakhstan.”

## Government to provide up to 14,000 start up microloans

By Zhanat Tukpiyev

ASTANA – Approximately 14,000 start-up entrepreneurs will be eligible to receive microloans this year, Director of Employment and Labour Market Development Department of the Ministry of Labour and Social Protection of Population Zhenisbek Dulatov said at June 7 press conference.

“As is known, each year the government allocates 20 billion tenge (US\$59.8 million) for micro lending. This year, it is

planned to provide another 42 billion tenge (US\$125.6 million). Thus, 45 billion tenge (US\$134.5 million) will be allocated to rural population and 17 billion tenge (US\$50.83 million) for those living in single-industry towns,” Dulatov said.

Last year, microloans were issued to 7,000 people, he said.

“This year, we plan to cover 14,000 participants, including people who want to start their business and who have not received any assistance from the state before. Mainly they are self-employed

and unemployed people,” Dulatov said.

According to Dulatov, the project participants will need to undergo training under the Business Bastau programme to receive financial assistance.

“Last year, we trained 15,000 entrepreneurs, of which more than 3,000 received funding. Approximately, 4,000 participants did not manage to get financing. This year, we plan to cover all the participants of last year and additionally train 30,000 new participants under the programme,” he added.

# EURASIA&WORLD

WEDNESDAY, JUNE 13, 2018

## EXTERNAL NEWS IN BRIEF

More than 40 agreements worth \$13 billion were signed June 8 at the Kazakh-Chinese business council meeting in Beijing. The agreements focus on the attraction of investment to the country's special economic zones, field exploration, renewable energy, creation of biochemical cluster, among other areas. The meeting gathered more than 400 representatives of Kazakh and Chinese businesses. Half of the agreements are in the investment sector, which demonstrates a growing interest among the Chinese companies, said Samruk Kazyna Sovereign Wealth Fund Chair Akhmetzhan Yessimov. China is the fourth largest investor in Kazakhstan with \$17 billion invested.

Kazakh Senate Chair Kassym-Jomart Tokayev met June 7 with Vatican Secretary of State Cardinal Pietro Parolin during an official visit to the Vatican. During the meeting, Tokayev said high-level cooperation is the result of 26 years of diplomatic relations between Kazakhstan and the Vatican. The visit of Pope John Paul II to Astana in 2001 was a milestone, he said, demonstrating a high assessment of Kazakhstan's domestic and foreign policy. Tokayev briefed Parolin on the upcoming Congress of Leaders of World and Traditional Religions October 10-11 and conveyed the invitation to the congress to Pope Francis and to Parolin on behalf of Kazakhstan President Nursultan Nazarbayev.

Astana will host for the first time the World Modern Pentathlon Cup Final June 21-24 organised by the International Modern Pentathlon Federation (The Union Internationale de Pentathlon Moderne) and Kazakh Modern Pentathlon Federation. The world's best 72 athletes – 36 men and 36 women – from 25 countries will participate. Kazakhstan is proud to host the World Cup under the aegis of the UIPM, said Secretary General of the Modern Pentathlon Federation of Kazakhstan Leonid Zimarev. The large-scale sport event is dedicated to the celebration of the 20th anniversary of the Kazakh capital.

Kazakhstan and Latvian foreign ministries' representatives said during a recent meeting in Riga they want to expand trade, economic and foreign policy ties. State Secretary for Latvian Foreign Ministry Andrejs Pildegovičs said Kazakhstan is a priority partner in the region. Education, green technology, information technology as well as the development of transport and logistics are of interest to both countries, said Latvian Ambassador to Kazakhstan Juris Pogrebnaks. Bilateral cooperation is also expected to strengthen with the recent launch of Riga-Almaty route by airBaltic.

Turkic Council countries are offering a Modern Silk Road tour to attract tourists from Europe and North America. The tour runs from Turkey to Azerbaijan to Kazakhstan and finishes in Kyrgyzstan. Prices for the 15-day tour start at \$3,600. In Kazakhstan, the tour starts in Almaty, and continues by train to Turkestan, Shymkent and Taraz. After that, participants go to Bishkek in Kyrgyzstan. Along the way, participants visit historical and cultural monuments along this traditional and deep-rooted route.

Kazakh Ambassador to the United Kingdom Eran Idrissov briefed the media June 1 on Kazakh-British relations. Idrissov said bilateral trade grew 1.5 percent in 2017 to \$1.2 billion. More than 800 companies and representative offices with British participation are registered in Kazakhstan. Britain is one of Kazakhstan's 10 largest trading partners and among the six largest foreign investors. Over the past 13 years, the inflow of direct investment from the U.K. to Kazakhstan has exceeded \$12 billion, which is about 5 percent of foreign investment in the country.

## CIS heads of government discuss cooperation in Dushanbe

By Aigerim Seisembayeva

ASTANA – Commonwealth of Independent States (CIS) heads of government, including Kazakh Prime Minister Bakytzhan Sagintayev, discussed economic interaction and cooperation within the Commonwealth in areas such as energy development and intellectual property during a June 1 meeting in Dushanbe.

In addition to Sagintayev, the prime ministers of Belarus – Andrei Kobyakov, Kyrgyzstan – Muhammetkaliy Abulgazyev, Russia – Dmitry Medvedev, Uzbekistan – Abdulla Aripov and Tajikistan – Qohir Rasulzoda attended. The meeting also included the first deputy prime ministers of Azerbaijan Yaqub Eyyubov, Armenia Ararat Mirzoyan and Deputy Prime Minister and Foreign Minister of Turkmenistan Rashid Meredov. Permanent Plenipotentiary Representative of Moldova to statutory and other bodies of the CIS Victor Sorochan and Executive Committee Chair, CIS Executive Secretary Sergey Lebedev also attended.

Tajik President Emomali Rahmon met with the heads of delegations prior to the CIS Heads of Government Council meeting to discuss plans for joint work.

The meeting in narrow format discussed economic interaction within commonwealth and a briefing on negotiations to draft an agreement on free trade in services.

Trade between Kazakhstan and the CIS countries grew by almost 25 percent last year and amounted to more than \$22 billion. In the first quarter of 2018, trade with the CIS countries grew by 10 percent to \$5.3 billion.



Photo credit: primeminister.kz

The Kazakh side also raised the issue of the modernisation and improvement of the commonwealth within the framework of the upcoming renewal of the Concept for Further Development of the CIS and the Plan of Key Implementation Measures initiated by President Nursultan Nazarbayev during the Oct. 11, 2017, CIS Council of Heads of State in Sochi.

The meeting in an expanded format mooted further strengthening of trade and economic relations between the participating states. The participants discussed and

signed agreements related to regulating cooperation in intellectual property, innovative energy development, electronic and electrical equipment waste management, interstate standardisation and customs.

The next meeting of the council is scheduled for this autumn in Astana.

On the sidelines of the heads of government meeting, Sagintayev met with his Russian and Kyrgyz counterparts Dmitry Medvedev and Muhammetkaliy Abulgazyev. Sagintayev and Medvedev dis-

cussed bilateral economic and trade relations, as well as cooperation in energy, industrial and customs policy.

Sagintayev and Abulgazyev discussed developing Kazakh-Kyrgyz cooperation in the socio-economic, trade, investment, border and customs spheres.

The Kazakh and Kyrgyz officials noted the importance of agreements reached between the heads of the two states during the working meeting of the heads of the Central Asian states in Astana last March and during Kyrgyz

President Sooronbay Jeenbekov's official visit to Kazakhstan last December. The sides also reviewed the implementation of the instructions of the heads of state to increase bilateral trade to \$1 billion by 2020.

In addition, the Kyrgyz and Kazakh heads of government discussed the implementation of the Bilateral Economic Cooperation Roadmap signed in Astana Dec. 2, 2017, and participation in the upcoming meeting of the CIS Council of Heads of State in Kazakhstan.

## Kazakhstan elected to UNESCO Intangible Cultural Heritage committee

Staff Report

ASTANA – Kazakhstan has been elected to the United Nations Educational, Scientific and Cultural Organisation (UNESCO) Intergovernmental Committee for the Safeguarding of Intangible Cultural Heritage (ICH). The vote was conducted at the seventh session of the UNESCO General Assembly, held June 4-6 in Paris, and national experts will participate on the committee for the next four years.

Kazakhstan's candidacy was supported by 98 of 156 voting

countries. Delegates who supported the selection noted the ex-

**The country's permanent delegation to UNESCO thanked the general assembly for its trust.**

pertise of Kazakh specialists on the UNESCO and Islamic Educational, Scientific and Cultural

Organisation (ISESCO) national commission, which strives to popularise the rich traditions and culture of the Kazakh people, as well as the nation's international cultural engagement.

The country's permanent delegation to UNESCO thanked the general assembly for its trust, noting that promoting Kazakh cultural heritage in today's world is an important part of the Ruhani Zhangyru ('Modernisation of Kazakhstan Identity') programme. It added Kazakh committee members will work to strengthen expertise in the field and contribute to improving the theory and prac-

tice of preserving cultural heritage around the world.

ICH covers oral traditions and forms of cultural expression, performing arts, rituals and festivals, knowledge and customs about nature and the universe and skills associated with traditional crafts and their protection includes measures to ensure viability. The convention identifies, revives, documents, researches, popularises and creates conditions for their transfer to future generations.

The ICH convention, adopted in 2003, has been ratified by 178 nations. Its tasks are executed by the committee for the protection of

ICH, which consists of 24 countries and coordinates its national and international efforts at regular meetings.

One of the convention's key instruments is the ICH representative list. To date, the national committee, which operates under the National Commission for UNESCO and ISESCO, managed to include eight Kazakh applications – the art of kyi performance on dombra, Kazaksha kures (wrestling), assyk games, aitys (song competitions), skills for assembling a yurt (together with Kyrgyzstan), Nauryz (Traditional Spring New Year) traditions, hunting with birds and making fine bread (katyram/lavash/yupka/yufka). Five other applications are pending.

The work contributes to improving Kazakhstan's recognition through its unique culture and attracts foreign tourists.

## On state visit to Beijing, Kazakh President meets Chinese leader, business executives

Continued from Page A1

The next day, the Kazakh President met with Li Zhanshu.

"For our people, you are a great friend, and for me personally, you are one of the most respected statesmen. Under your leadership, Kazakhstan formed a market economy, the quality of life improved, and social stability was entrenched. The standing of Kazakhstan in the world and the region is constantly growing... as your friend and your neighbour, China is sincerely pleased with the successes of your country," Li said.

Nazarbayev mentioned that China's development path over the past 40 years has been marked by world-class achievements.

"China has become one of the largest and leading economies in the world. Innovations are rapidly introduced, investment in science is growing – your country has entered an entirely new phase of its development," he added.

The Kazakh President later met with Chairman of the Board of CNPC Wang Yilin, one of the main partners of Kazakhstan in the production, transportation and deep processing of oil and gas.

"Over the years, more than 100 million tons of oil have been produced and we are ready to continue cooperation with your company, especially with regard to the use of the Kenkiyak-Atyrau pipeline to increase the oil supply to China and domestically," said Nazarbayev, expressing overall satisfaction with the company's results in Kazakhstan.

"We have the opportunities and the willingness to develop and work further," Wang concurred. Meetings with Chinese and Kazakh business circles took up the last day of the trip.

Currently, China ranks fourth in terms of direct investment in Kazakhstan; more than 1,200 enterprises with Chinese capital work in

oil and gas, banking, engineering, logistics, chemical and food industries in the Central Asian country.

The meeting of more than 300 business representatives resulted in the signing of about 40 commercial documents worth \$13 billion. Within the industrialisation and investment cooperation, 51 projects were formed, equal to \$28 billion.

Nazarbayev stressed in his remarks to business representatives the advantageous geopolitical location of Kazakhstan and the business opportunities it presents.

"Kazakhstan is a member of the Eurasian Economic Union, with more than 180 million people and with no [internal] customs borders. Five railway and six automobile international routes connecting China and other Asian countries with Europe through Russia, the Caspian and Black Seas, as well as Iran and Turkey go through Kazakhstan, which allows businesses to deliver goods to Europe from

China via Kazakhstan in 15 days, while shipping by sea takes two to three times more time."

He then underlined some pro-investment and business environment measures taken by Kazakhstan, such as the liberalisation of business legislation; the launch of the Council of Foreign Investors; the work of Kazakh Invest and Kazakh Export national companies; simplified processes for attracting foreign labour, obtaining licenses and signing subsurface use contracts; and tax incentives and preferences for participants of 11 special economic and 24 industrial zones.

"The state programme for the agro-industrial complex and the Digital Kazakhstan programme are implemented. We are considering putting our major national companies through initial public offerings on the stock exchanges of Hong Kong and Shanghai. Within the infrastructure of EXPO 2017, the Astana International Financial

Centre has begun its work, and is intended to become a regional centre for the development of green, Islamic and innovative financial instruments. So I invite Chinese companies to take part in the implementation of these large-scale projects," Nazarbayev said.

As part of the visit, Nazarbayev also met with the creative group of the first joint Kazakh-Chinese film, "Composer," dedicated to the friendship of composers Bakhytzhan Bakdamov and Xi Xinghai, who lived in Almaty during the Second World War. The project was directed by Kazakhfilm in partnership with the Chinese companies Shinework Pictures and China Film Coproduction Corporation.

While in Beijing, Nazarbayev also laid flowers at the People's Heroes Monument on Tiananmen Square, honouring the memory of the Chinese people who gave their lives for national liberation in the 19th and 20th centuries.

# ECONOMY

WEDNESDAY, JUNE 13, 2018

## Kazakhstan in consultations on easing OPEC oil output reduction agreement, says minister

By Assel Satubaldina

ASTANA – Kazakhstan is consulting other producers on the potential easing of a 2016 oil output reduction agreement between the Organisation of the Petroleum Exporting Countries (OPEC) and non-OPEC members, Kazakh Energy Minister Kanat Bozumbayev said recently.

Over the first four months of 2018, oil production in Kazakhstan totalled 30 million tonnes, 6 percent higher as compared to the same period last year.

OPEC and non-OPEC countries agreed in November 2016 in Vienna to cut oil production by 1.8 million barrels per day, roughly 2

percent of global oil production, to ease a global supply glut and push up oil prices that dropped below \$30 in early 2016 as the situation was further exacerbated by China's economic slowdown and the U.S. increasing oil output as a shale oil producer.

"We are now conducting consultations with our partners, non-OPEC members. I could not say anything concrete on that," said Bozumbayev.

The deal came into force in January 2017 over an initial six-month period. Though the Vienna agreement yielded its intended effect, the latest OPEC and non-OPEC producing countries' meeting in November 2017 agreed to extend oil output curbs until the end of 2018.

Kazakhstan's oil output, however, continued rising.

Over the first four months of 2018, oil production in Kazakhstan totalled 30 million tonnes, 6 percent higher as compared to the same period last year.

Bozumbayev noted, however, the country lives up to its obligations under the agreement.

"We, Kazakhstan, are fulfilling our obligations under OPEC. We agreed that there will be a certain oil output volume and quota if it does not harm international investors. That is all what I can say," said Bozumbayev, emphasising that OPEC has no claims against Kazakhstan.

The country's oil production volume, noted the minister, is forecast to reach 104 million tonnes per year by 2025 from the current 86 million, thanks to the major Kashagan, Tengiz and Karachaganak fields.

During the next OPEC meeting slated for June 22-23 in Vienna, the countries are expected to discuss terms of the agreement and potential adjustments based on current market conditions, among other issues. Russian Energy Minister Alexander Novak and Saudi Arabian Energy Minister Khalid al-Faleh, representing the world's two largest oil producers, recently said the countries may start steadily increasing their oil production in the second half of 2018.

Bozumbayev confirmed Kazakhstan's participation in the June meeting.

## Authorities to develop Internet of Things

Staff Report

ASTANA – Kazakhstan plans to develop the country's Internet of Things and additive manufacturing technologies under the national Digital Kazakhstan programme, Kazakh Deputy Prime Minister Askar Zhumagaliyev announced recently at the opening of the international conference Blockchain Regulation: Opportunities and Risks.

According to the press service of the National Association of Blockchain and Crypto technology Development (NABCD), Zhumagaliyev emphasised the importance of applying new technologies in Kazakhstan and outlined the conditions for its development.

"In line with the Digital Kazakhstan programme, development of the Internet of Things, additive technologies, artificial intelligence and blockchain technology is provisioned. The use of blockchain technologies allows excluding intermediaries and barriers in conducting transactions," said Zhumagaliyev.

He also said Kazakh projects involving blockchain technology are widely implemented. The National Bank uses blockchain technology in the placement of short-term

notes and the Ministry of Agriculture uses blockchain-based electronic grain receipts.

Blockchain projects have also been implemented in Kazakhstan by Ministry of Finance, Kazpost and are part of the nation's e-government services.

Zhumagaliyev stressed that further development requires legislation and infrastructure. In this regard, he called on the Ministry of Information and Communication and Zerde national info communication holding to facilitate the solution of these issues.

The organisers of the conference noted that the interaction of the state with the professional community and associations is an important part of the nationwide digitisation programme.

"The main purpose of this conference is to collect and process the best international experience in this field. As organisers of this event, we tried to provide all possible instruments in order to study this experience in close cooperation with the state and on its basis create necessary legal documents, taking into account interests of the National Bank, large foreign companies and other interested parties," said Alan Dordzhiev, NABCD president.

### ECONOMY NEWS IN BRIEF

Kazakh Invest Chair Saparbek Tuyakbayev presented the country's investment opportunities at a business forum in Cologne, reported Kazakh-tv.kz. German entrepreneurs in renewable energy, tourism and construction were especially interested in tax benefits for investors. The Kazakh delegation also held bilateral meetings during the forum. "We recently started cooperating with Kazakh partners. This presentation was interesting and inspiring for me. Kazakhstan is a developing country that surprises Germans with its development and living standards. I believe that Kazakhstan has great potential. I represent a technology company that focuses on innovations and we manufacture complete products. I want to point out that we are interested in working with Kazakh companies," said Zoz Group President Henning Zoz.

April results indicate Kazakhstan's business register recorded nearly 140,000 active small companies, 0.4 percent more than March and just 8.1 percent more than a year ago, according to ranking.kz. Astana is the key driver of small business activity with 18,000 operating companies and a 30.9-percent increase year-on-year. The most significant concentration of active small businesses still falls in the financial centre; however, the number in Almaty decreased 0.3 percent during the month. Nevertheless, the city had an annual dynamics growth of 5.1 percent to 32,000 companies.

Slovenian businesspersons are ready to cooperate with their Kazakh counterparts in the production sector and information technology (IT) industry, according to 24.kz. More than 100 Slovenian companies currently operate in Kazakhstan. It is important for Slovenian investors to enter Kazakhstan's market, because of the geopolitical location of the latter, said Kazakh-Slovenian Business Club President Dejan Štancer. Representatives of both parties are prepared to increase trade turnover between the countries, which last year was \$97 million.

Kazakhstan has attracted \$264 billion of direct investment during the past 12 years, according to the Ministry for Investment and Development, reported 24.kz. The largest shares, mainly for mineral extraction, are from China, France, the Netherlands, Russia, Switzerland and the U.S. In recent years, foreign investors have paid special attention to the manufacturing sector. "According to the statistics of 2017, every fourth dollar that came to the economy of Kazakhstan went to the manufacturing sector. Compared to the statistics of 2009, the manufacturing sector accounted for 8.3 percent," said Investment Committee Chairperson Yerlan Khairov.

The Kostanai administration is interested in creating a free economic zone (FEZ) on the building industrial zone grounds, reported alau.kz. Experts feel this will attract new investors to the city, because the zone has special legal status and offers preferential economic conditions for entrepreneurs. The FEZ is expected to include the Belarus tractor assembly plant and factories producing elevator equipment, silicate brick, ceramics blocks and machine parts, as well as hubs to process cereal and oilseed. The industrial zone and projects were presented to Prime Minister Bakytzhan Sagintayev.

Kazakhstan made its first shipment of natural uranium concentrate to Brazil, reported Kazakh-tv.kz. According to experts, nuclear energy cooperation with Brazil will expand the sales geography of Kazakh products in the global nuclear fuel market. Kazakhstan's uranium is currently exported to China, the European Union, India, Japan, South Korea and the U.S. "There are two nuclear reactors in Brazil. The third nuclear power unit is under construction. I think that this event is very important in terms of energy cooperation development, particularly in the field of peaceful use of nuclear energy," said Kazakh Ambassador to Brazil Kairat Sarzhanov.

## National Bank: citizens buying fewer US dollars

By Yerbolat Uatkhanov

ASTANA – The National Bank reported a sharp decrease in May in the demand for U.S. dollars. Last month, Kazakh citizens purchased 23.4 percent fewer dollars compared to April.

The population bought 146.1 billion tenge (US\$444.1 million) in foreign currency in May. Bank experts report citizens purchased 52.9 percent of the total foreign currency in Russian rubles (77.3 billion tenge or US\$234.9 million), 30.5 percent in dollars (44.6 billion tenge or US\$135.5 million) and 15.8 percent in euros (23.1 billion tenge or US\$70.2 million).

Compared to the previous month, foreign currency expenses increased 0.4 percent. Costs to purchase euros and rubles increased

24.6 percent and 13.5 percent, respectively. Expenses to buy U.S. dollars decreased 23.4 percent, reported the bank.

In April, the national currency exchange rate fluctuated in the range of 319.24-330.88 tenge per dollar. At the end of the month, the exchange rate was 327.25 tenge, weakening 2.8 percent during the month but strengthening 1.5 percent since the beginning of the year.

The National Bank indicated the volume of operations on the tenge/dollar currency pair reached \$17 billion (a 41.7-percent per month increase) in April, including the volume of exchange trades at the Kazakhstan Stock Exchange (\$4.4 billion or an 84.9 percent increase). The volume of transactions in the over-the-counter foreign exchange market was \$12.6

billion, a 31.1-percent per month increase.

The report added the increased trading volumes of the tenge/dollar currency pair were in reaction to the volatility of Russian markets.

The Kazakh tenge got depreciated 19-percent in February 2014. The second wave of devaluation in August 2015 was even more dramatic. The government tried to correct it, but too many factors, including falling oil prices and additional downward pressure from the rapid devaluation of the ruble, influenced the economic situation.

The two devaluations have dented Kazakh citizens' trust in the national currency, but thanks to the National Bank's economic policy they have regained trust in the tenge and are again beginning to save in the national currency.

## 58 enterprises utilise renewable energy, says energy minister

By Dana Omirgazy

ASTANA – Fifty-eight Kazakh enterprises currently use renewable energy sources (RES) with a total capacity of 352 megawatts, figures expected to reach 68 facilities and approximately 490 megawatts by the end of the year, said Minister of Energy Kanat Bozumbayev during the June 5 government meeting devoted to implementing the concept to Kazakhstan's transition to green economy for 2014-2017.

The greening of the power sector is based on developing renewable energy, reducing carbon dioxide emissions in the energy sector and gasifying the country. Approximately 1.1 billion kilowatt hours of green energy were produced in 2017 and another 138 megawatts of renewable energy are expected to be introduced this year, he noted.

"In the long term, the decline in the cost of RES is associated with the introduction of the auction mechanism. On the one hand, this will make the selection of projects and investors transparent and understandable; on the other hand, more efficient technologies and projects will minimise the impact on the tar-

iffs of end users through the introduction of renewable energy capacities," he added.

Gas power stations generated 20.2 percent of electricity last year, with a planned target of 20 percent by 2020. Gas turbine power stations built along the Beineu-Bozoi-Shymkent gas pipeline are set to ensure the growth of gas-fired power plants. The ministry is also working with the Samruk Kazyna Sovereign Wealth Fund to transfer Almaty Thermal Power Plant No. 2 to gas.

The challenges to construct counter-regulators at the Shulba hydro power plant on the Irtysh River are being studied to develop hydropower.

Reporting on the implementation of President Nursultan Nazarbayev's five social initiatives, Bozumbayev noted the specifics are being worked out to construct the first stage of the 1,081-kilometre Saryarka main gas pipeline along the Kyzylorda-Zhezkazgan-Karaganda-Astana route. The section will provide natural gas

to thermal power stations in the capital, two regions and 171 settlements.

To reduce the emission of harmful pollutants into the atmosphere, measures were taken to de-nitrate and de-sulphurise exhaust gases and dust. Working in conjunction with energy producing organisations, a plan is being developed this year for long-term, phased-in measures to reduce emissions at thermal power plants. In accordance with Eurasian Customs Union technical regulations, require-

ments for fuel quality will be raised from the K2 standard to K4 and K5 in the second half of the year, leading to a significant reduction in air emissions from motor vehicles.

A regulatory legal framework has been established for waste management to define the requirements for secondary raw materials, separate collection processing and disposal. Relevant projects are being implemented to improve the effectiveness of the solid waste management systems in the capital and Almaty.



# BUSINESS

WEDNESDAY, JUNE 13, 2018

## BUSINESS NEWS IN BRIEF

Kentau processing plant, which produces barite concentrate, resumed operation after standing idle for ten years, according to abctv.kz. To date, approximately 600 million tenge (US\$1.8 million) has been invested in the facility, which is capable of producing 50,000 tonnes of barite products per year and provides jobs for more than 100 local residents. The plan is to increase production volume to 1.73 million tenge (US\$5.2 million) by 2025, generating 344 million tenge (US\$1 million) in taxes. Products will be sold to national oil and gas companies and exported to Russia and Uzbekistan.

Construction of a 40-megawatt capacity solar plant near Balkhash city in the Karaganda region started June 7, reported inform.kz. The total investment is \$46 million and project initiator KPM Delta is providing financing from its own funds and a loan from the European Bank of Reconstruction and Development (EBRD). Equipment was purchased from Spanish investor Risen Energy, one of the world's major solar panel producers. Construction will require 300 workers. The plant will be commissioned in the first quarter of 2019 and 10 specialists will work at the facility.

Kazakhstan's Investment Fund, a subsidiary of Baitebek National Holding which transfers problematic assets to businesses, sold West Agro grain reception centre in the North Kazakhstan region to Kazmeal for approximately 598 million tenge (US\$1.8 million). The centre will become a part of vertically integrated agro-industrial complex for grain crop production and processing in the Akmola and North Kazakhstan regions, reported the fund's press service. The facilities will also manufacture combined feed contributing to livestock development in the region. The grain reception centre was previously owned by Bogvi, which has 41 enterprises and defaulted on its obligations to the Development Bank of Kazakhstan in 2010.

A bioethanol and starch production facility in the North Kazakhstan region owned by Bio Operations is undergoing an 11-billion tenge (US\$33 million) modernisation. The first stage centres on restoring the flour production line and improving starch and gluten manufacturing; the second, scheduled to start in 2019, will involve bioethanol and carbon dioxide production. The facility will be equipped with German drying equipment for distillery waste to produce animal feed rich in proteins and a tread mill complex capable of working 28 days non-stop.

The Kazakhstan Stock Exchange recently created a start-up platform for aspiring businesspeople and investors, which to date has 50 start-ups and 10 investors among its registered users. Ten IT, finance and energy start-ups are already disclosing company information. Entry is free of charge, although each start-up must be registered as a limited liability company and disclose information, including financial statements and a business plan. This allows investors to evaluate the projects before making a decision regarding financing.

Lukoil, one of Russia's biggest oil and gas producers, plans to launch a lubricant plant in the Almaty region with an annual production capacity of 100,000 tonnes, reported kapital.kz. The facility, using modern technology and equipment, will be one of the leading projects in the Commonwealth of Independent States (CIS), said company president Vagit Alekperov. Process automation will allow the plant to meet any order within 24 hours. Since 1995, Lukoil has invested more than \$7.5 billion in the Kazakh economy.

## Zhambyl region initiates investment projects to boost industrial sector

By Zhanna Shayakhmetova

ASTANA – Eight investment projects estimated at 16.9 billion tenge (US\$51.1 million) will be launched this year in the Zhambyl region, according to the regional industrial-innovative development department. The initiatives will create 947 new jobs.

“Overall, 36 investment projects worth a total of 584.2 billion tenge (US\$1.7 billion) are being implemented in the Zhambyl region as part of the industrial and innovative development state programme in the second five-year period 2015-2019. These projects will create 6,380 jobs,” said department head Arnur Mukhamedzhanov.

Taraz-based Kazphosphate will open the second stage of its mineral fertiliser plant as part of the national map to increase production. The 8-billion tenge (US\$24 million) project has a capacity of 500,000 tonnes per year and new



Photo credit: inform.kz

jobs will be created for existing employees.

BioVetKZ is planning to open a biofactory in the Kordai district

producing veterinary medicinal products in compliance with GMP and GLP standards. The 2-billion tenge (US\$6 million) project,

with an annual capacity of 25 million units, is expected to create 55 new jobs.

A local company will be modernising and reconstructing the Aksuyek enriching factory in the Moynkum district to process extracted lead-zinc ores. The project cost is 1.2 billion tenge (US\$3 million); the design capacity, 15,500 tonnes of lead-zinc concentrate per year. The plant will create 300 jobs.

The region also intends to rebuild the Merken petroleum refinery mini-plant to a design capacity of 39,102 tonnes per year. The 662-million tenge (US\$2 million) project will create an additional 70 new jobs.

The region is seeing an increase in production and the number of workers employed in small and medium-sized businesses.

“As of May 1, 60,578 small and medium-sized businesses are operating in the region. There are 5,519 legal entities, 49 medium business enterprises, 38,269 entrepreneurs and 16,741 farms.

The number of people employed in small and medium-sized businesses totals 127,659 people with an increase of 111.1 percent compared to the same period last year,” said Mukhamedzhanov.

The small and medium-sized enterprises contributed 414.9 billion tenge (US\$1.2 billion) in the past year, an 101.2-percent increase compared to the previous 12 months.

“This year, the enterprises produced goods in the first quarter worth 133.3 billion tenge (US\$403 million). The index of physical volume amounted to 116.2 percent. At the same time, the volume of mining products amounted to 15.7 billion tenge (US\$47 million) or 117.6 percent compared to this figure in 2017. The share of the mining industry is 11.8 percent of the total volume of industrial production. The manufacturing industry produced production of 90.9 billion tenge (US\$275 million) with an increase of 118.2 percent,” he said.

## Kazakhstan opens office to shield investors from corruption risks

By Meruyert Abugaliyeva

ASTANA – The Protecting Business and Investments Project Office was launched in the Kazakh capital June 8 to facilitate investing in the Kazakh economy by shielding investors from corruption risks and alleviating bureaucratic procedures.

The office was established under a memorandum of cooperation among the Agency for Civil Service Affairs and Fighting Corruption, Ministry of Foreign Affairs and Ministry for Investment and Development.

“Throughout Kazakhstan's years of independence, private initiatives and businesses have proven to be key for economic development and well-being. The global community gives high assessment to the business environment in Kazakhstan. According to the World Bank's Doing Business index, Kazakhstan ranks 36 out of 190 states in 2018 and is first in terms of protecting minority investors. Still, unfortunately, there are instances of illegal intervention in business activities, as in three years 976 cases were registered and 389 of-

officials were charged with corruption,” said Agency Deputy Chair Olzhas Bektenov.

“Any investor ready to fully reject corruption practices while running a business [in Kazakhstan] will receive full protection from corruption risks provided by the project office,” he added explaining that assistance will be available to both foreign and local investors.

Located on the premises of the Ministry for Investment and Development, the office will work closely with government and quasi-government institutions, the Atameken National Chamber of Entrepreneurs and international agencies.

“The project office is meant to protect businesspeople and investors, increase trust in government institutions and create a favourable investment climate. We will also launch branches in the regions. The office will seek to identify administrative barriers, imperfections of current legislation and cases of abuse of power and tackle them,” said office head Gulmira Kabiyeva.

To date, nine companies have been referred to the office for assistance.

“We firmly believe that the agency can reduce up to 70 percent of corruption risks related to business activities by stating its presence during the project's initial stage. Before an investor is referred to government institutions, we will inform the institutions that the investor has been placed under the protection programme,” said anti-corruption policy department head Daniyar Sadyrbayev.

A five-year analysis has shown business people most often resort to bribery in order to receive high

quality services from officials or gain access to information.

“While working in Kazakhstan, investors increase the project costs by around 30 percent to account for corruption-related expenses. If the agency works with businesspeople from the beginning of the project, such expenses will be ruled out completely,” he added.

Investors are required to fully restrain and adopt zero tolerance for corruption practices not only during the project execution, but while staying in Kazakhstan generally.

“The Ministry of Foreign Affairs fully supports the initiative and will contribute by informing the foreign audience and current and potential investors about this new investment protection programme in Kazakhstan. We are confident office activities will have a considerable effect in terms of not only assisting in the specific cases it will be dealing with, but also in terms improving the business climate and the overall perception of corruption practices in Kazakhstan,” said Deputy Foreign Minister Roman Vassilenko.

## Chinese company to build solar power plant in Karaganda region

Staff Report

ASTANA – The European Bank for Reconstruction and Development (EBRD) and the Chinese company Risen Energy recently signed an agreement to build a solar power plant in the Karaganda region. The agreement was signed June 6 during the Foreign Investors' Council in Astana.

The agreement was endorsed by the Chairman of Risen Energy Lin Haifeng and Kazakh Minister of Energy Kanat Bozumbayev.

“If this project is completed, then the capacity of all solar and wind power stations in Kazakhstan will be more than 200 megawatts. We have agreed with EBRD president that our cooperation will not be limited to this project and we will start working on other projects as well,” said Bozumbayev.

The project continues renewable energy cooperation between

the EBRD and the Kazakh ministry under an agreement signed in 2017.

This is also the first joint EBRD project in the field of renewable energy in Kazakhstan with the Chinese company Risen Energy, which envisages the construction of a 40-megawatt solar power plant in the Karaganda region.

The financial package includes \$22 million EBRD loan, \$5.8 million loan from the Clean Technology Fund and a loan of up to \$4.2 million from the Green Climate Fund.

Risen Energy will build and operate the solar power plant. Risen Energy is a leading Chinese manufacturer of solar cells, which is developing a portfolio of solar projects around the world.

The new solar power plant is expected to reduce CO2 emissions by 55,000 tonnes per year, contributing to the national emission reduction targets and the EBRD's Green Economy Transition strategy.



**CELEBRATING  
25 YEARS  
OF GROWTH AND  
PROGRESS.**

A quarter of a century ago, Chevron recognized the potential in Kazakhstan. Together, with our partners, we've invested billions in the Kazakhstani economy. Created tens of thousands of jobs. And we've become the country's largest oil producer. In fact, Tengiz Field is now among the top producing oil fields in the world. That's taking potential and turning it into progress. Today and for many years to come. Learn more at [chevron.com/worldwide/kazakhstan](http://chevron.com/worldwide/kazakhstan)

**WE AGREE.**



human energy

CHEVRON, the CHEVRON logo and HUMAN ENERGY are registered trademarks of Chevron Intellectual Property LLC. © 2018 Chevron U.S.A. Inc. All rights reserved.

# EDITORIAL & OPINION

WEDNESDAY, JUNE 13, 2018

## Astana at 20: the reality exceeds the vision

There is a great deal to celebrate as Astana marks its 20th anniversary this year. It has, by any measure, been an extraordinary journey. In just two decades, the city has become not just the vibrant, contemporary capital of a modern, energetic country but one that is well on the way to achieving a high global profile.

This success, of course, was never certain. There were many who worried whether the decision to move the capital to what was going to be in effect a new city was too big an undertaking for a country still making its way in the world. Kazakhstan was, after all, still struggling with the legacy it had been left with from the chaotic collapse of the Soviet Union. The country had enough difficulties to overcome, it was said, without inventing new challenges.

But Kazakh President Nursultan Nazarbayev saw that the new capital would help, not hinder, the young country's progress and the effort, risk and investment would pay off both domestically and internationally. Twenty years on, his judgement has been proved absolutely right.

Astana, a capital in reach of all regions, has helped bring the country closer together. It has become a symbol of Kazakhstan's ambition both for its citizens and its global partners. Internationally, it has raised the country's profile while, domestically, it has become a new and powerful engine for the national economy.

And while the cost of a stunning new capital rising out of the steppes has been large, it is also financially paying off as predicted. Astana's Akim (Mayor) Asset Issekeshev revealed last month that Astana is now self-sustaining with its fast-growing economy enabling it to pay back in tax revenues far more than it received in public investment. As the title of one of the main planning documents forecast, Astana's prosperity is also Kazakhstan's.

The statistics are impressive. The population has tripled over the last 20 years to more than one million. Well over 1,000 new apartment blocks have been built to house the fast-expanding city's residents. They work not just in the government departments and national offices of the country's major organisations, which have all been successfully transferred here, but increasingly in a powerful and diversified economy.

Over the last twenty years, the local economy has been utterly transformed with industrial production increasing 30 fold. The deliberate focus on helping small and medium-sized firms set up and grow has proved a remarkable success. They now employ more than 60 percent of the workforce and are responsible for a fifth of all the

output from this sector nationally. As SMEs, which in Kazakhstan, as across the world, will drive prosperity and economic strength in the decades ahead, this is hugely encouraging.

Investment in Astana's future increasingly comes from the private sector. Mayor Issekeshev revealed there are currently 60 separate projects underway amounting to more than \$3 billion. More than 30 international companies are involved as partners. They see how ideally Kazakhstan is positioned as the bridge between East and West and view Astana as the hub of a region with exciting potential.

But this barrage of facts and figures alone do not do justice to the scale of the vision and the size of the achievement. To grasp this, it is almost necessary to have seen the modest town of Tselinograd, which was here before. The idea of it hosting a successful global event like EXPO or becoming an increasingly important centre for international talks would have, rightly, been regarded as fanciful.

You also get a better understanding of what has been achieved when you arrive in Astana by car or train and catch a first glimpse of the skyline as it first emerges from across the steppe and see the skyscrapers and city grow as you get closer. It helps explain the comparison with Dubai and Singapore, which have both established their own unique place in the world.

It is a skyline, which has been shaped by many of the world's most renowned architects. But creating a new city, like designing and constructing a breathtaking building, requires more than inspiration. Vision had to be coupled with detailed planning and delivery. Astana stands as testimony to how hard many people have worked to get this right.

Starting from almost scratch, of course, enables a city to be developed to the needs of today and tomorrow. Those, for example, who complain about Astana's traffic have either never driven in capital cities like London, which grew up centuries before the automobile had been invented, or forgotten what a nightmare it is to get around.

What can't be designed, of course, is the character, which develops as a city, such as London, Paris, Rome or Almaty, grows organically over centuries. But Astana's secret weapon is its overwhelmingly young population. They come to study at our prestigious universities or are attracted by the opportunities to build a career or start a business. It is these bright, fearless young people who are increasingly putting their own stamp on the city. It is perhaps the main reason to be confident that Astana's next 20 years will be as exciting and successful as the first two decades.

## EBRD and Kazakhstan: trusted partners

By Dr. Agris Preimanis

In 1993, the European Bank for Reconstruction and Development (EBRD) began actively working in Kazakhstan, investing more than \$8 billion in the country's economy to date.

The current portfolio is estimated at \$2.9 billion with 80 percent of investments in infrastructure, transport, energy and natural resources. The rest is dedicated to the small to medium-sized enterprise (SME) sector, which receives funds through financial institutions, as well as the directly funded corporate and agricultural sectors.

It is not only the amount of investments that is important, but also the impact of the Bank, working closely with the Government of the Republic of Kazakhstan and the private sector, on companies and the process of improving the legislative and regulatory framework in many sectors, also to the role of the country's population as a whole.

Starting in 1991, Kazakhstan's GDP has shown significant growth, reaching one of the highest per capita income levels among the Commonwealth of Independent States (CIS) countries in 2017, though still remaining below the level of developed countries. There is still a lot to be done and the role of the EBRD in the country is certainly growing, given that the Bank's goals directly resonate with the tasks that the state sets for itself: supporting the development of a market economy, creating competitive business conditions, supporting the development of a green economy and others.

### EBRD investments and reforms

EBRD remains strongly committed to both investments and support of reforms in the country. In 2017 the Bank has signed 25 new projects for a total of \$700 million in various sectors of the economy, including mining works (Shalkiya Zink for \$140 million), municipal and transport infrastructure (irrigation project for \$180 million), renewable energy (Burnoe Solar electric plant for \$45 million) and SME (totally \$55 million) in the shape of credit lines for banks.

The Bank successfully started 2018 with the signing of a project with French company Urbasolar for \$8 million and on solar electric plant construction and a loan agreement with Mangystau Electric Grid Company (REC) for \$40 million. It is also foreseen to conclude a row of contracts in the field of renewable energy, gasification and industry. All this witnesses the great investment opportunities in Kazakhstan for other foreign clients.

2017 and 2018 have been exciting years for the EBRD due to (but not limited to) green economy projects we have financed. Our headline project was investment in the Burnoe project 50MW solar electricity plant in the amount of \$45 million, which is important in terms of support to the green economy, as well as to the renewable energy sector on a commercial scale. On the eve of the EXPO 2017, the EBRD signed a Framework Agreement with the Ministry of Energy worth \$200 million.

Different fields of economy such as transport infrastructure also look attractive to the EBRD. The Bank considers the whole range, starting from municipal infrastructure and ending with irrigation systems. The Bank aspires to contribute to the development of the relevant eco-system for SMEs, which work in the most remote regions of the country.

In addition, it is worth highlighting the important role of the banking and financial sectors. The EBRD has a successful programme for SMEs, and another programme that supports women entrepreneurs through commercial banks in the country.

It is important to recognise strong progress on reforms that the country has made over last several years in particular. The EBRD made its contribution to the following areas:

1) To public-private partnership (PPP). The Bank supported the Government with drafting a package of amendments to the Law on Concessions, which was adopted in July 2014 and paved the way for launching the Almaty Ring Road PPP tender (also known as BAKAD PPP). The Concession Agreement for the BAKAD PPP was signed on Feb. 7, 2018. This is the first private concession road project in Kazakhstan with total project value more than €1.2 billion (\$1.4 billion). After nearly 12 years of policy dialogue efforts, the signing of the Concession Agreement for BAKAD PPP is a major policy breakthrough for the Bank and other stakeholders involved in the project. The project is opening up the way for many more private infrastructure projects in Kazakhstan going forward.

2) To the regulatory provisions on the renewable energy sector. The Government adopted partial indexation of the feed-in-tariff to hard currency and created a reserve fund to cover short-term losses. The auction rules have been approved with the first auction to be launched in May 2018.

3) To the development of inclusiveness and gender in the energy and natural resources sector. The new Strategy on the Family and Gender in Kazakhstan to 2030 was approved in December 2017. Under this strategy, developed with the EBRD support, the list of jobs legally restricted to women was revised (100 jobs were removed from the list).

4) To the development of the capital market. The Astana International Financial Centre was officially inaugurated in January 2018. The Astana International Exchange (AIX) adopted listing rules developed with EBRD assistance and will be fully functional in 2018. The AIX signed an agreement with NASDAQ in early 2017 for the acquisition of the NASDAQ Financial Framework trading technology. The system is now operational.

5) To the subsoil use sector. A new Code for Subsoil and Subsoil Use was adopted in December 2017 in Kazakhstan. The Code provides for new rules for granting subsoil use rights and amended transfer procedures for rights/assets with the aim of increasing transparency and competition.

6) To the process of privatisation. Achievements include corporate governance, transparency and other improvements at the level of blue chips of the Samruk Kazyna (SK) Sovereign Wealth Fund, as well as the sale of 334 small assets in 2017. However, the sale of major assets has not yet been accomplished. The IPO of the first three major assets will be held in the fourth quarter of 2018 and in 2019.

7) To the elaboration of the agenda for the Foreign Investors Council (FIC). A number of proposals developed by FIC members and supported by EBRD were adopted by the administration of the President of the Republic of Kazakhstan. These include proposals to create a platform for strategic discussions at the prime minister level and holding plenary sessions in a more flexible format.

One more area of reforms affects regulated sectors. Parliament adopted a package of amendments to the Law on Natural Monopolies in December 2017 in light of tariff reforms in the regulated sectors, which foresee the introduction of commercial tariffs for water supply and central heating starting in 2020. This kind of an initiative will support the wider EBRD work programme in the municipal sector, where the Bank has launched an investment campaign with the participation of municipal companies.

An Agreement on Expanded Partnership (AEP) between EBRD and the Government of the Republic of Kazakhstan in 2014, being prolonged for three years in December 2017, keeps staying the most effective interaction platforms to assist the activity of EBRD in Kazakhstan. AEP (in the frame of funding technical assistance and investment grant programmes of the Government of the Republic

of Kazakhstan) has played an important role in investment attraction of the Bank to municipal and transport sectors, as well as to programmes for consultations to SMEs. The prolongation of the AEP in 2017 provides for new fields of activities including privatisation and the renewable energy sector.

### What does EBRD expect in Kazakhstan?

Kazakhstan is still a priority for EBRD. Active work is ongoing upon the projects, which were already given a start. The results of the EBRD work on reforms in the country encourage optimism with regards to the new investments. There are plans in the current year to make a high volume of investments on the part of EBRD, which will depend on the existing market capacity.

It is important to note that progress in the implementation of the key reforms that the Bank has focused on will help stimulate investment in the private sector in the next three-four years. Already in recent years, one could observe a trend towards the development of private Kazakh companies, which operate within the framework of PPP projects, in the renewable energy, production and services sectors, as well as in the financial sector. This forms a basis for the subsequent increase of investments in the Kazakh private sector on the part of EBRD. The privatisation of blue-chip assets of SK and Baiterek, scheduled for the fourth quarter of 2018, will also contribute to the creation of further investment opportunities in this sector.

Taking into consideration the interest of large investors to the BAKAD project after signing the Concession Agreement, which is going to give an impetus to the development of similar projects in Kazakhstan, it is expected that more large-scale PPP projects, elaborated according to international standards, will appear. EBRD is ready to render assistance in the preparation of these kinds of projects and invest in them.

The work done by the Government over the past two years towards improving the situation in the financial sector has yielded good results. Moreover, there is a belief that in the medium term, the Bank will have more opportunities to work in this sector.

EBRD will continue assisting Kazakhstan in market change aimed at giving private companies more significant roles. In the nearest future, possibly the state of the EBRD investment environment will change, which will affect the changes in the country's economy.

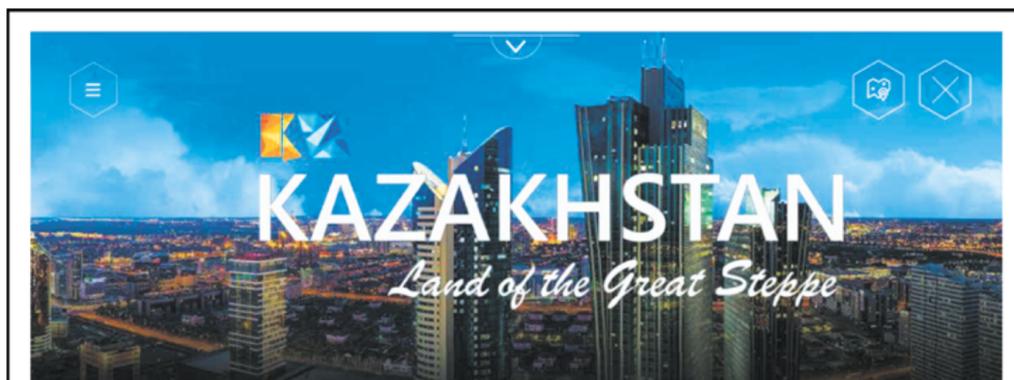
### Formation of competitive economy of Kazakhstan

From its independence, Kazakhstan has reached considerable progress in the transition from the planned to the market economy having succeeded in its sustainable development. In 2017, real GDP growth amounted to 4 percent, significantly increasing from 1.1 percent in 2016. The exchange rate stabilised, despite some fluctuations caused by fears of pressure on the ruble in connection with sanctions imposed by the U.S. against Russia. The inflation rate fell and is in the range of 5-7 percent established by the National Bank in 2018.

The key question remains how the country will overcome the 4 percent growth mark and if it will be able to reach 5-6 percent of the growth needed for transition to the category of more developed countries. The basis will be formed by the effective use of key growth anchors such as improved transport links, thanks to the initiative of the Silk Road Economic Belt, as well as work to remove the main obstacles hampering the disclosure of the full potential of the private sector (the prevalence of state enterprises, underdeveloped banking and infrastructure and logistics sectors, the slow progress of the green growth economy, a certain imbalance in the sectors of the economy). At the same time, almost all these issues were reflected in the Strategic Plan for the Development of the Republic of Kazakhstan until 2025 and other policy documents, which is a positive indicator.

Thus, EBRD will continue to closely cooperate with the Government of Kazakhstan and the private sector of the country to remove obstacles and continue working based on key drivers of growth for the benefit of the country.

The author is Director, Head of Kazakhstan European Bank for Reconstruction and Development (EBRD). This opinion was originally published in Issue No. 2 of the Diplomatic Herald of Kazakhstan in June 2018.



### DISCOVER KAZAKHSTAN WITH A NEW APP



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

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

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

#### 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 10 pages.

ORDER: 941

PRINT RUN: 6,000

# OPINIONS

WEDNESDAY, JUNE 13, 2018

## AIFC: local operations and international cooperation

By Kairat Kelimbetov

The changing dynamic in current economic trends indicates major shifts in the level of emphasis put upon conventionally known development frameworks. Emerging markets are gaining greater dominance in shaping global economic growth. Kazakhstan has great potential showcasing its competitiveness and attractiveness on the regional and global stage. The geographic and socio-economic aspects of the country set a solid foundation of extensive integration with global markets. Today, the country plays a strategic role in re-creating a trade corridor connecting East and West through the Astana International Financial Centre (AIFC).

The establishment of AIFC, initiated by President of the Republic of Kazakhstan Nursultan Nazarbayev as an important component of country-wide economic and institutional reform, plays a key role in enhancing economic growth and further enabling integration into the global financial ecosystem. The AIFC launch features in the 100 Concrete Steps programme aimed at reaching a sustainable and prosperous socio-economic future. In an environment of low commodity prices and global uncertainties in foreign markets, the development of a world-class financial centre is a timely and justified initiative to achieve a new level of growth through diversification and innovation.

The AIFC model is promising with its innovative and efficient platform, which provides services under international standards increasing trading volume and revenue, as well as expanding into new asset classes and revenue diversification in the long run. One of the primary objectives of AIFC is to develop a liquid and well-balanced capital market with a broad range of financial instruments. AIFC is a one-of-a-kind platform in the region, offering access to capital and a wide range of financial services and investment tools. AIFC will help to change the perception of Kazakhstan by the global investment community with its infrastructure, adherence to the best international practice, instruments and an independent legal system.



This article will focus on the operations of different structures of the AIFC and how they interact with regional and international partners.

### Governance at AIFC

The AIFC is structured into different managerial and operational units. The AIFC Management Council, chaired by President Nazarbayev, is the supreme authority. Its main responsibilities include the definition of the main directions of development, coordination of the activities of the bodies and assistance in creating favourable conditions for establishing a leading international financial centre. Members of the Council ratify the AIFC Development Strategy, which provides an international standard of legal and regulatory regime that will be a catalyst for the development of the AIFC.

The main executive body of the financial centre is the AIFC Authority, the project management office that has been scrupulously working to set everything in place. The main activities of the AIFC Authority include, but are not limited to, development of the overall development strategy, promotion of the AIFC in global markets, attraction of potential participants to the AIFC and recruitment of foreign experts with financial centre experience to the AIFC management.

The core of the AIFC financial market is the Astana International Exchange (AIX), which is set up as a regional platform to attract financial inflows within the framework of the Belt and Road Initiative (BRI). The role of the AIX is to enable domestic and regional development through the mobilisation of domestic resources and foreign portfolio flows.

The exchange encourages healthy competition between local and foreign parties, with equal regulations

in place for all participants based on the highest international standards. Securities within the exchange can be denominated in four currencies – Kazakh tenge (KZT), Russian ruble (RUB), American dollar (USD) and Chinese renminbi (RMB). The AIX will offer investors access to national assets, which are to have IPOs on the exchange, as well as government and corporate securities issued from Kazakhstan and other countries. It will also provide sources of income for national institutional investors. A wide range of different asset classes, including equity, debt and derivative instruments, funds, commodities and Islamic financial products, will be available on the AIX.

The newly founded AIX will attract greater financial inflows and connect the world's leading market players in the East from the Shanghai Stock Exchange and West from Nasdaq, Inc. – the two main strategic AIX partners. The AIX is a high-tech, innovative and efficient platform, which provides services under international standards, increasing trading volume and revenue, as well as expanding into new asset classes and revenue diversification in the long run.

The Astana Financial Services Authority (AFSA) is the integrated regulator of all regulated activities, market activities, ancillary services, companies and partnerships in the AIFC. The AFSA's approach, consistent with the AIFC development strategy, is to provide an international standard of legal and regulatory regime, which will be a catalyst for the development of the AIFC.

AFSA facilitates business by maintaining the safety and soundness of the AIFC financial system and ensuring that financial markets in the AIFC are fair, efficient and transparent, while promoting economic prosperity in a fair and transparent manner and in compliance with rules that treat investors and consumers equally. The AFSA registrar accepts applications and registers AIFC participants and may also recognise non-AIFC members, such as market infrastructures and qualified market participants, to carry out their activities in the centre without having to establish a physical presence in the AIFC.

Another unique AIFC structure

is, of course, the AIFC International Court, chaired by the Right Honourable Lord Harry Woolf. The court provides a common law court system for the first time in Eurasia. It will operate to the highest international standards to resolve civil and commercial disputes in the AIFC. It has exclusive jurisdiction over disputes arising out of the activities and operations of the AIFC and jurisdiction in other disputes where all parties agree in writing to give it to the AIFC Court.

The AIFC Court is independent in its activities and is not a part of the judicial system of the Republic of Kazakhstan. The AIFC Court consists of the court of first instance and the court of appeal. To ensure the prompt resolution of insignificance in complexity and amount disputes, the court of first instance includes the small claims court.

Complementary to the AIFC Court is the International Arbitration Centre (AIC). The Court and AIC operate independently, but together can offer a one-stop package for dispute resolution within AIFC. A party may want a full strategic business unit to proceed with a more traditional case management procedure in the International Court, but can also choose to consult the AIC, which is a more common practice for business in international financial centres. Alternatively, they may opt for mediation, which is also a growing alternative to Court designation and Arbitration.

Cost efficiency and timely management will ensure that cases are administered and adjudicated as quickly and appropriately as possible. The decisions of the Court and Arbitration Centre are supported by a robust enforcement system within Kazakhstan.

### International cooperation

The main activities within the AIFC will come from our cooperation with regional and international partners. Three dimensions that we have identified as workable tangents of regional cooperation will be the close cooperation with our neighbouring Central Asian states, members of the Eurasian Economic Union and countries involved in the BRI.

Astana is now recognised as one of top ten financial centres in Cen-

tral Asia and Eastern Europe. It quickly gained recognition as the core of the largest economy in the Central Asian region and top destination for investors. With the AIFC and its uniquely designed platform, Astana will provide the best business environment: tax preferences for financial activities, trust and special purpose vehicle (SPV) regime for project financing and English as the main working language, on top of a trusted and transparent legal system, become key success factors for the financial centre in Astana.

AIFC is launching its operations at a time when modern financial markets are facing major changes that include, for example, the rise of crypto-currencies and blockchain and new payment systems or artificial intelligence (AI). In turn, these developments have the potential to reshape the financial system and the economy as a whole, with the entrance of new (non-financial) actors, increased competition and broader access to financial services. Therefore, the goal of AIFC is to embrace new technology and introduce new instruments to local and regional markets. Flexible regulation written from scratch to reflect the latest trends in financial markets makes AIFC one of the most FinTech-friendly jurisdictions in the greater Eurasian region. AIFC has already launched FinTech regulatory sandbox and its own in-house acceleration programme at the AIFC FinTech hub leveraging on the talent available in the region.

Being one of the founding members of the Eurasian Economic Union, Kazakhstan has access to a large and very attractive market rich with natural resources and excellent human capital. AIFC serves as the gateway to the region, allowing foreign companies to set up businesses and operate in the regional market.

Lastly, AIFC serves as the ideal hub for financial services alongside the Belt and Road projects. While Kazakhstan was identified as one of three key partners for the BRI, Astana is becoming the key infrastructure finance facilitating office for the Silk Road Economic Belt. AIFC is collaborating with key Chinese financial and regulatory institutions and is aiming at becoming an RMB off-shore centre in the medium-term.

### Conclusion

Astana, set to become a top destination for investors, is increasingly recognised as a regional financial hub for market participants, attracting greater financial inflows to the country. With its modern infrastructure, distinct architecture, accessible transport links and constantly developing education and healthcare services, Astana has emerged as a contemporary ground for attracting visitors and businesses on an international level. Becoming a global smart city ensures Astana's urban development based on information and communication technologies with sustainability and improvement of social sectors in mind. The work of the AIFC and its structural units will undoubtedly brand Astana as a truly global city, reaching high rankings in the level of attractiveness of the global investment networks.

One of the youngest and fastest-growing cities in the world is celebrating its 20th anniversary of becoming the capital of Kazakhstan on July 5, 2018. In the past 20 years, Astana has not only become the local administrative, cultural and business centre, but managed to transform the economy of Kazakhstan. This year, we are also celebrating Astana becoming a recognised financial centre with the official launch of the AIFC.

The official launch ceremony at the Astana Finance Days will feature as the keynote event a multi-day conference, which will gather heads of states and multilateral institutions, international policy makers and representatives from private markets, financial experts and heads of large multinational companies and experts from academia and think tanks. At the AIFC, we believe in bringing together the best experts to develop local and regional markets and promote better connectivity and cooperation.

Astana Finance Days will become a historically significant event that will allow us to share our plans and long-term vision and demonstrate our credentials and comparative advantages, as well as engage global industry specialists in the most trending topics' discussions.

**The author is Governor of the Astana International Financial Centre. This opinion was originally published in Issue No. 2 of the Diplomatic Herald of Kazakhstan in June 2018.**

## Right approach to attracting FDI will unlock country's potential

By Gleb Malykh

ASTANA – In the first four months of 2018, the Kazakh Invest national company attracted 42 new investors that will invest \$7 billion in the nation's projects due to new tools and approaches implemented by Kazakh Invest. Board chair Saparbek Tuyakbayev spoke about the methods, as well as missions abroad and promising industries.



Saparbek Tuyakbayev

pects of the project. If you just tell them about tax breaks and free economic zones, it will not work.

We attracted consultants from the Big Four [group of consulting firms] and developed the first 50 target projects with marketing research, profit calculations, data on necessary resources and Kazakh partners ready to work with investors. The expected volume of investments for all these projects is about \$20 billion.

Now, you can find five to ten companies around the world interested in each of our projects. Serious negotiations have already begun on 12 of them.

### How are the projects selected?

We divided the projects into several spheres. For example, on public-private partnership projects in education, health, infrastructure, housing and utilities, we consult with governmental bodies and regions to find promising directions.

Strategic system-forming projects in the petrochemical industry, for example, are discussed with national companies, because we need their support in the implementation. We attract large and medium-sized businesses to commercial projects. In each region,

we have selected 15-20 companies that can participate in new investment projects.

Our task is to attract investments to all regions in Kazakhstan, not just to Atyrau or Almaty, as the case is now. That is why we are looking for competitive advantages in each of them. For example, in Kostanai oblast there is good potential for mechanical engineering with access to the Russian market. We intend to build an automobile factory jointly with Chinese partners. In the East Kazakhstan region, Eurasia AgroHolding is building a meat processing plant in cooperation with an Australian company.

### How do you search for investors for specific proposals?

First, we opened representative offices in China, France, Germany, Turkey and the United States. Our next three offices will be launched in the United Arab Emirates (UAE), the U.K. and again in the U.S., because they invest in the whole world. Each representative office hired experienced local entrepreneurs who have the necessary contacts and help establish relations and start negotiations.

We identified 11 priority countries where we will work first. They are Britain, China, France, Germany, Italy, Japan, Russia, South Korea, Turkey, the UAE and the U.S. Decisions were made based on which sectors these countries invest in.

Twenty-seven more countries are on a promising list for searching for investment. Among them are Austria, Australia, Canada, the Czech Republic, India, Indonesia, Poland, Malaysia, Saudi Arabia, Spain and Switzerland.

We also involve independent representatives. For example, Schneider Group in Germany has been accompanying German business in the Commonwealth of Independent States (CIS) for 20 years. We made a contract with this company and if it finds us an investor, it gets a commission. We already have 12 such partners around the world; we have expanded our network and do not pay anything for it. Everything is built on mutually beneficial cooperation.

Our ambassadors are very helpful. They have the authority to directly meet with the management of large companies and solve many issues on the ground. We provide them with information about projects and all the analytical information. For instance, we recently received a call from the Ambassador in the Emirates who said that there is an agreement with one of the major sugar-producing companies. I sent our project manager there, we quickly found Kazakh partners and then I flew for the negotiations. As a result, an agreement was reached on the implementation of a major project worth half a billion dollars.

We want to mobilise Kazakh businesses, so that they too begin to actively look for investors. They will not only bring money, but also new technologies and a new level of management. This will help our producers enter the export markets.

### When an investor chooses a project and comes to Kazakhstan, what support does he get?

We have a whole range of services for investors: providing a site, obtaining licenses, attracting

labour force. Our specialists accompany the project until the completion of construction and launch of the facility.

To increase our efficiency, we developed a CRM (customer relationship management) system which includes three databases: potential investors, projects at the implementation stage and already-operating businesses. As soon as we conduct the first meeting with the potential investor, the information about him or her and the description of the project are included in the first database. Our manager immediately starts working with the project. At the stage of project implementation, the information is transferred to the second database and, upon completion, to the third.

The system displays the tasks: find money or a partner, solve the land issue, prepare documents. All the data is sent to the department that has to solve the task in a timely manner. It can be an akimat, a ministry or other authorised body.

The list of tasks and those responsible for their implementation is seen by all participants of the process, thus total transparency is ensured. The investor can directly address any issue, even of a house-keeping nature. Our call centre operates 24/7.

Kazakh Invest joined the system, several embassies and akimats will be added in May and by the end of the year all structures involved will be included. Today, it contains information on 197 foreign and 181 domestic investors. After all, if a Kazakh investor builds a large factory, he or she needs the same assistance as the foreign one.

### What are the results of this approach?

Of the 197 foreign investment projects worth \$48.2 billion, 54 facilities worth \$3.9 billion will be put into operation before the end of the year. One project, a poultry farm, has already been commissioned; in the next six months, we will put nine more into operation.

Construction has begun on 18 projects and by the end of the year, construction will be launched on 63 facilities worth \$6.8 billion. In four months, we have found 42 investors who had never invested in Kazakhstan before for projects worth \$7 billion. Since the beginning of the year, four new projects with the participation of transnational companies have reached the stage of implementation. Negotiations are being held with transnational companies on 11 new projects.

We are now working on new specific initiatives; by the end of the year, we want to develop 100 such projects and find an investor for each of them. The plan is to sign investment contracts worth \$10 billion in 2018.

### How much is invested in the raw materials sector?

To date, two-thirds of foreign investment in Kazakhstan's economy is accounted for by the commodity sector. The investment strategy is expected to bring to a 25-26 percent growth in investments in five years compared to 2016, with the manufacturing sector investment growing up to 50 percent.

The full version of the interview is available online.

# EURASIA&WORLD

WEDNESDAY, JUNE 13, 2018

## Kazakhstan's importance as global player is growing, says German envoy

By Assel Satubaldina

ASTANA – Kazakhstan's non-permanent membership on the United Nations Security Council, its hosting of the Astana Process Syrian peace talks and contributions to negotiations on the Iranian nuclear deal have increased Kazakhstan's international influence, German Ambassador to Kazakhstan Rolf Mafael told The Astana Times in a recent interview.

The Central Asian nation's growing relevance as a political player is among the key factors contributing to the strengthening of bilateral ties between Kazakhstan and Germany.

"The relations and ties between Kazakhstan and Germany are very close. We have a very multifaceted partnership, including an excellent political dialogue, and flourishing economic relations. President Nursultan Nazarbayev, German President Frank-Walter Steinmeier and Chancellor Angela Merkel developed a long-standing relationship over more than a decade," noted Mafael.

The two countries have a special bond, he said, as "one percent of Kazakhstan's population are ethnic Germans and one percent of the German population are people that were born or grew up in Kazakhstan."

"In that sense, there is also a kind



German Ambassador Rolf Mafael

of emotional affection and affinity between our two countries, which I can feel here very often. As the speaker of the Mazhilis Foreign Affairs Committee Mukhtar Yermambetov recently said to me, to some extent we are still neighbours at heart. I think this is a very interesting picture of our relations," said Mafael.

The multidimensional nature of Kazakh-German relations must also be put in the context of the Kazakhstan-EU partnership.

"If you think of Germany and Kazakhstan, you have to think at the same time of the relations between Kazakhstan and the EU, since Germany is an important member of the EU. The programmes of the EU are at the same time programmes that we see as our own programmes," he said,

highlighting a "very big step forward" in Kazakh-EU relations.

At the same time, Kazakhstan's membership in the Eurasian Economic Union also affects the bilateral ties.

The German envoy noted the two factors contributing to the strengthening of the Kazakh-German partnership, including the "growing importance of Kazakhstan as a political player in the international arena and increasing role of Kazakhstan as a transportation and infrastructure hub in Eurasia."

Last year's expo and Steinmeier's visit to Astana heightened the awareness of people in Germany of Kazakhstan.

"The expo and the visit of our president to Astana last year have very much increased attention for Kazakhstan in Germany. This becomes obvious if you look at the fact that there were 30,000 visitors to the expo from Germany, which means it was the third biggest group of visitors after Russia and China. We had many more delegations from government and economy than in recent years," he noted.

Last year, the trade turnover showed a 25 percent increase compared to the previous year reaching \$5.9 billion. Germany remains a key investor in Kazakhstan in the non-gas and oil sector with nearly 900 joint ventures operating in the country. Major German companies

working in Kazakhstan include Knaf, Heidelberg Cement, Metro, Linde, Siemens, BASF or Funke.

"As for German imports from Kazakhstan, 90 percent are oil, and Kazakhstan is now the fourth most important oil supplier for Germany. If you look at the imports to Kazakhstan, most important area is machinery. Sometimes I am visiting companies that at first sight do not have any relationship with Germany and then find out, that most of their production machinery is 'made in Germany'," said Mafael.

Construction, pharmaceuticals and industrial goods as well as supplies to the oil and gas industry remain important areas of cooperation, yet Mafael expressed confidence in the agriculture sector's potential "to become a much more important area of cooperation and investment."

Digitisation and modern production techniques – in what is known as Industry 4.0 – and diversification of economy are among key areas of cooperation between the countries.

The priority now, the German ambassador noted, is to maintain these positive developments in trade and investments as well as in education and science, which are areas of significant importance for Germany.

"The most important project in terms of science and education is German-Kazakh University in Almaty, which has around 600

students. In the area of education exchange and language, a number of German institutions are active, including Goethe Institute, DAAD or our Centre for German schools abroad, ZfA. They are supporting 16 partner schools here in Kazakhstan," said the German ambassador, stressing a growing number of partnerships between Kazakh and German universities in recent years.

Aside from the embassy, ten German organisations are present in Kazakhstan, including Konrad Adenauer Foundation, Friedrich Ebert Foundation and GIZ.

"Germany has a broad-based presence and a very broad interest in building our relations with Kazakhstan. One of our main objectives is to support the reform policy of President Nazarbayev and the country's aspirations for modern democracy and modern state of law," he said. To that end, Germany is actively assisting Kazakhstan in reforming its juridical and judiciary system.

Items on the international agenda that are of high priority for both countries encompass such issues as prevention of terrorism, non-proliferation of weapons of mass destruction, stabilisation in Afghanistan and promotion of regional cooperation in Central Asia.

"We prepared together one informal meeting concerning Afghanistan (at the UNSC). If you look at the OSCE, we have been working very closely together on the issue of connectivity and Kazakhstan has very strongly supported the German chairmanship in 2016 in promoting this issue in the OSCE. In Central Asia, Germany is strongly supporting Kazakh efforts to increase regional

cooperation. It was a German initiative to adopt an EU Strategy for Central Asia in 2007 and we have always been favouring regional cooperation," noted Mafael.

One of the examples of German efforts in facilitating regional cooperation is the so-called Berlin Water Process, which has been launched in 2008 and supports trans-boundary water management in Central Asia.

"Since 2008, we have been working together with Central Asia on capacity building, promoting institutions and dialogue concerning water management in the region, and Kazakhstan is a key partner in this effort," said Mafael.

"We should not forget the OECD, by the way. Germany is very happy with the stringent efforts of the Kazakh government to move closer to OECD, to look at OECD standards and include them in national legislation and practice and we are supporting Kazakhstan very much in these efforts," he added.

Speaking of his personal experience in Kazakhstan, for Mafael, whose previous career largely focused on Europe and East Asia, it "turned out a very positive surprise."

"Since having arrived here, I feel very much welcome in this country. We were surprised by Astana as a very modern and interesting city and by the warmth of people that we met both here and when travelling throughout the country," he explained.

A father of five sons, he added that the importance of family in Kazakhstan and the warm and friendly way in which parents treat their children and vice versa makes him feel very positive about the country as well.

## Cambridge University, British Council to support translating literary works

By Yerbolat Uatkhanov

ASTANA – An anthology of modern Kazakh literature will be translated into the six official UN

"The venture creates great opportunities for broad interaction of Kazakh authors with foreign colleagues, international literary agents and experts."

languages and published by Cambridge University with the support of the British Council. The initiative is financed under the Ruhani Zhanghyru (Modernisation of Kazakhstan's Identity) programme.

Famous Kazakh writers, poets and critics met in the House of Friendship in Almaty to discuss the structure and content of the

two-volume anthology, which will be translated into Arabic, Chinese, English, French, Russian and Spanish.

The project is part of the programme initiated by President Nursultan Nazarbayev in April 2017 to introduce modern Kazakh culture to the worldwide community. The working group is led by Aida Balayeva, head of the Presidential administration's internal policy department, who is responsible for discussion and cooperation with the literary community.

Balayeva noted the most important aspects of the anthology are quality translation and wide, international distribution. Cambridge and the British Council are partnering with the English portion of the project to organise the translation, distribution and promotion of the publications and similar collaborators will be sought for the other languages.

The Kazakh literary community fully supported both the approach

to the project and proposed structure of the anthology. The venture creates great opportunities for broad interaction of Kazakh authors with foreign colleagues, international literary agents and experts, said Balayeva. It will expand the world's access to Kazakh works and integrate them into the global literary process.

The anthology will be available in print, electronic and audio formats, with placement on popular online platforms.

Cambridge University is a collegiate public research university in the U.K. Established in 1209, it is the second-oldest university in the English-speaking world and the fourth-oldest surviving university. Cambridge is composed of a number of institutions, including 31 colleges and more than 100 academic departments.

The British Council is involved in international cultural and educational opportunities in more than 100 countries, aiming to promote wider knowledge of the U.K. and English language.

## Kazakh-British Investment Forum slated for October

Staff Report

ASTANA – Kazakhstan and the U.K. will hold the Kazakh-British Investment Forum in London in October, Kazakh Ambassador to the United Kingdom Erlan Idrissov announced recently.

"The entire year we have been witnessing a growing interest to us from the British businesses. We are planning to organise a large investment forum October 2 in London," said Idrissov.

British business community, he noted, welcomes the economic reforms in Kazakhstan that open up new opportunities for companies and investors, including the country's large-scale privatisation programme.

The U.K., one of the largest investors in Kazakhstan, invested more than \$25 billion in the country's economy over the years of its independence.

"They are willing to receive more information to learn about who can become their partners to set up contacts and build partnerships in such areas as agriculture, military and defence, oil production," he added.

London will also host the Kazakh-British Business Council in October.

The Astana International Financial Centre, with its upcoming international presentation scheduled for July 5, will also organise the AIFC road show presenting its opportunities to the British investors.

The Kazakh ambassador also informed on Kazakhstan's plans to start negotiations with the U.K. to simplify the visa regime for Kazakhstan citizens. Currently, U.K. citizens are eligible to remain in Kazakhstan visa-free for up to 30 days.

## EU ambassadors, Kazakh youth talk cooperation, regional issues in cafe chat



By Assel Satubaldina

ASTANA – The European Union delegation to Kazakhstan hosted another Ambassadors' Cafe gathering June 5, drawing European ambassadors and Kazakh young people for an informal discussion at a local café. The event is part of the Day of Europe celebrations that started May 31 in Astana.

Europe Day is celebrated May 9 every year worldwide and marks the anniversary of the 1950 Schuman Declaration that pooled the French and West German coal and steel industries, leading to the creation of the European Coal and Steel Community, which later grew into the European Union.

Thirteen EU ambassadors and more than 45 students from local universities discussed a wide range of issues at this week's gathering, including the partnership between the EU and Kazakhstan, agriculture, the rule of law, education and migration, and regional issues, among other topics.

EU Delegation to Kazakhstan Charge d'Affaires Zoltan Szalai noted that this is the third year the Ambassadors' Cafe has convened. "We like it, because as you can see it is a very unofficial format, to sit down with the young people, and it gives us an opportunity to talk directly to the youngsters and young interested people to talk directly to the ambassadors of the European Union member states. It is a wonderful thing," Szalai told The Astana Times.

This year is special, he said, as the EU and Kazakhstan are celebrating 25 years of diplomatic relations.

"I was myself talking about the EU-Kazakh relationship and for other ambassadors it was up to them to decide what they would like to talk about. The issues are ranging from economic, social to political," he added.

The topics are "just a framework."

"They have the liberty here to talk about anything they would like to and from my experience I think that the discussion is very much determined by concrete questions, so it is not a monologue, but a dialogue, where people are asking each other different questions," noted Szalai.

He stressed the strategic partnership between the EU and Kazakhstan and their "unique agreement," referring to the Enhanced Partnership and Cooperation Agreement signed in 2015 expanding cooperation and dialogue across some 29 key policy areas.

Kazakhstan was the first Central Asian nation with which the EU signed a new generation agreement. It has been provisionally in force since May 2016 after it had been ratified by Kazakhstan and approved by the European Commission. For its full entry into force the ratification by all EU member states and the consent of the European Parliament are needed. So far, 23 out of 28 EU member states have ratified the document, with the European Parliament giving its

overwhelming approval in December 2017.

"As the name shows, it is not only wider but deeper cooperation. Kyrgyzstan and Uzbekistan are trying to sign similar agreements with the EU. I think if you are looking into the future, I am quite sure Kazakhstan will play not only an even more important role in this region, but in a wider region, promoting such issues as Afghanistan, for example," he said.

The European diplomat noted that youth in Kazakhstan and Europe are very similar.

"My general impression is that Kazakh youngsters are very similar to the youngsters in Europe. This is the generation which is really global, and I think they are not only listening to the same music, but they have same perspective and same approach," he noted.

For Kazakh National Law University sophomore Raimbek Tuleshev, the good command of the Russian and Kazakh languages among the ambassadors was a surprise.

"I liked it [the event] very much. I am happy that many ambassadors know Russian language and some even know Kazakh. I think it is very good in the future for specialists and students to learn the news first hand. The impression is very good. I did not expect that they knew Russian or Kazakh, and could discuss and answer tricky questions," Tuleshev said.

"We talked to the EU ambassador and discussed Brexit, European tolerance, problems in EU and Kazakhstan cooperation and what prevents European investors from coming to Kazakhstan," the student reported. The European Union, as a whole, is the largest foreign investor in Kazakhstan and the largest trading partner for the country, accounting for approximately half of both foreign direct investment and foreign trade turnover of the Central Asian nation.

Europe Day celebrations will continue in Astana with an exhibition at the Kazakh National Museum featuring European and Kazakh clothing opening June 12 and running through June 22.

The EU delegation will also organise a European film festival June 8 to 10 in Almaty and June 15 to 17 in Uralsk.

# Nation&Capital

WEDNESDAY, JUNE 13, 2018

**PEOPLE**

**Karaganda resident creates exoskeleton to help individuals with physical challenges**

**B2**

**CULTURE**

**Exhibition showcases international artists' depictions of Astana**

**B3**

**SPORTS**

**International championship-winning coach from Ukraine takes reins at FC Astana**

**B7**

## International arts and culture journalists tour Kazakh attractions



By Aigerim Seisembayeva

ASTANA – Fifteen international journalists toured Astana and Almaty city as well as the Almaty and Mangistau regions May 24-31, the Kazakh Foreign Ministry's press service reports.

The group included arts and culture journalists and bloggers from China, Egypt, France, Italy, Spain, the United Kingdom and the United States. The Kazakh Foreign Ministry organised the trip as part of the national Ruhani Janghyru (Modernisation of Kazakhstan's Identity) programme.

Kazakh Foreign Minister Kairat Abdrakhmanov thanked the journalists for their interest and briefed them on the programme, including efforts to promote modern Kazakh culture abroad.

Minister of Culture and Sports Arystanbek Mukhamediyev briefed them on cultural developments, including in Kazakhstan's film industry.

In Astana, the journalists visited Kazakhstan's EXPO 2017

pavilion, the National Museum of Kazakhstan, the Khazret Sultan mosque and attended the premiere of the "Le Corsaire" ballet at the Astana Opera Theatre. The

**British reporter Mariola Fiedorzuk noted similarities between local burial places and burials in China and Japan and compared early burials in the necropolis of Shopan ata with graves in Slovenia.**

also visited the Kazmedia Centre, where they met with colleagues from Kazakh media outlets and learned about the Digital Kazakhstan programme.

The trip to Almaty included a

visit to the Kasteyev State Museum of Arts and a presentation of the elements of Kazakhstan's intangible cultural heritage, including those listed by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). They also visited the Multimedia Centre of Traditional Music, the Qazaq-Oner artisan centre and other venues.

The journalists also toured the Mangistau region's main sights, including the underground mosques of Beket ata and Shopan ata, as well as Sherkala Mountain and the ethnoaul (ethno-village).

British reporter Mariola Fiedorzuk noted similarities between local burial places and burials in China and Japan and compared early burials in the necropolis of Shopan ata with graves in Slovenia, the press service of the regional akimat (governor's office) reports. Journalist from China Chen Rui also noted commonalities between the spiritual heritage of the Zoroastrians and the traditions of her Buddhist ancestors.

"Thank you for the opportunity to visit the unique places of Mangistau and to see the amazing monuments of architecture with our own eyes. I would like to note the special hospitality and kindness of the local people. We all agree that we have never seen such hospitality anywhere else as in Mangistau. I can also note that usually foreign tourists, especially those from Europe, are primarily interested in the culture, traditions and special internal world of the country. And we found all this and saw it in your region. And I wish you to preserve all this in order to show the international tourist the entire identity of the Kazakh people," said journalist Isabelle Morand from France.

Regional Akim (Governor) Yeraly Tugzhanov met with the journalists and answered questions about the region's social and economic development, foreign investors and their projects in Mangistau, small and medium business development and about the people living in Kazakhstan.

## Paper nomads: Almaty residents warm to book crossing

By Dana Omirgazy

ASTANA – Book crossing, a social movement aimed at the mass distribution and exchange of books, is gaining popularity in Almaty. All it takes to join the movement is a book and a public space: book lovers bring books to public places and leave them so they can be picked up and read by others. The idea is to create a small cache of books for people to pick up, take home, enjoy and return – to that place or another one.

In Almaty, book crossing began developing in 2011, kapital.kz wrote. Every year, the city holds book exchange events, where like-minded people discuss what they're reading or look for rare copies of books.

"We began to implement the idea of book crossing at the first Toikazan Festival and Kitapfest. Today, book crossing has become quite common. Both city authorities and libraries practice it. There are permanent bookshelves for exchange near the National Library and near

the Chekhov Library. People take books, but, unfortunately, sometimes do not bring them. Nevertheless, the book crossing subculture is continuing. During the movement, several tens of thousands of books were distributed," Vice President of the Eurasian Franchise Association Beknur Kisikov said.

Today, Almaty has five bookstores. There are constantly operating sites, spontaneous and eventual ones. Basically, these are library funds. Almaty residents also bring unnecessary books.

"After the first literature meeting, residents began organising more book events. We encounter more books by Kazakh authors on the shelves and hear about numerous literature sites. Today, many cafes and restaurants try to hold events dedicated to books," Kisikov added.

The book crossing method of sharing literature not only helps maintain interest in reading paper books, but also helps unwanted books find new homes.

Continued on Page B5

## One of 100 New Faces focuses on women's rights

By Zhanna Shayakhmetova

ASTANA – An accountant by occupation, the true calling of Assengul Urazayeva, one of the Kazakhstan's 100 New Faces, is in charity and the social sphere. She promotes family values and importance of family as a basic unit of society.

As a head of the International Association of Women in Central Asia, Urazayeva is a well-known women's rights advocate in the region.

"Our project has been operating for more than two years. We organised various events. The association's main goal is to protect the rights and health of women and children. Women entrepreneurship is an upward trend. But little attention is paid to the protection of women's rights and interests," she said.

The organisation also monitors

issues of domestic violence, human rights and the environment in the Atyrau region. They welcome like-minded individuals to participate in their projects as volunteers and to join the association.

"We launched the project on domestic and family violence according to the memorandum with the Office of the Prosecutor General. We organise information campaigns on promoting family values nationwide. We advocate family unity and the harmonious development of a child," she said.

Programmes with psychologists were also launched on the Khabar TV Channel and Qazaqstan Atyrau local channel.

"Our target audience is rural residents who do not have the opportunity to attend paid trainings and seminars. This is education through TV channels," she said.

Continued on Page B2

## Archbishop of Astana: Kazakhstan supports peace and harmony at home and abroad

By Dana Omirgazy

ASTANA – The Congress of Leaders of World and Traditional Religions points the whole world toward Kazakhstan's path of peace-building, archbishop of the Metropolitan Archdiocese of Saint Mary in Astana and president of Bishops' Conference of Kazakhstan told the Astana Times.

"First of all, we should congratulate our President, Nursultan Nazarbayev, on this noble idea. The congress of religious leaders is a platform for acquaintance and rapprochement of traditional religions," Tomasz Peta said. The next such congress is scheduled for October 10-11.

Traditionally, the Vatican cardinal heads the delegation of the Catholic Church at the congress, addressing the event participants on behalf of the Pope. But of course, local Catholic clergy also try to participate in this important event, noted Peta.

At present, there are 80 Roman Catholic religious associations



Tomasz Peta

in Kazakhstan. All of them have passed the procedure of re-registration and are among the 18 denominations officially registered in Kazakhstan.

The Catholic Church, having historical roots in Kazakhstan, has become an important institution for preserving spirituality, moral values and cultural identity in society.

Today, the Roman Catholic Church is viewed as a reliable partner of the state in solving the most important social and educational tasks.

"In 2017, the entire Catholic Church celebrated the 100th anniversary of the apparitions of the Virgin Mary in Fatima, Portugal. In Kazakhstan, the central celebrations took place in Karaganda, where the Cathedral of the Blessed Virgin Mary of Fatima, Mother of all Nations is located. Also in 2017, the Catholic Church of the Mother of God, Queen of the World in the village of Ozernoe [in the North Kazakhstan region] was included in the sacred map of Kazakhstan. Ozernoe is a place of pilgrimage. People from both near and far abroad visit it. There, the famous 'Star Kazakhstan' altar of worship is located," the archbishop said.

In every Catholic parish, there are groups of young people who unite around Jesus, trying to build their lives on the values of the Gospel.

"A very important event is the annual meeting of the Catholic youth of Kazakhstan, which takes place in the National Sanctuary in Ozernoe, August 13 to 17," added Peta.

At present, there are approximately 130,000 Catholics, including several thousand Eastern Rite Catholics in the country. During Kazakhstan's years of independence and religious freedom, sacred facilities began to appear, and today, Catholic parishes are located in all regions of the vast nation. Catholic communities have become more multinational. Catholics love their homeland and try to serve its prosperity with prayer and work, Peta said.

"Almost every day brings us alarming messages from different parts of the planet. Believers know that everything is in the hands of God's providence. The task of all of us is the building of peace and harmony in everyday life, in our families, collectives and in the whole society. An important matter in building peace and harmony is prayer. For example, since 2002, a 24-hour prayer for Kazakhstan and the whole world has taken place in the Cathedral in Astana (after the visit of Pope John Paul II)," he added.

**THINGS TO WATCH & PLACES TO GO**

**NATIONAL MUSEUM**

**June 6 - Sept.10** Masterpieces from collection of State Tretyakov Gallery

**ASTANA CONGRESS HALL**

**June 15 at 7.30 p.m.** Yevgeny Brusilovsky, concert

**ASTANA OPERA**

**June 17 at 1 p.m.** Concert of Richard Galliano: Celebration of Music

**June 17 at 6 p.m.** To The Music of Vivaldi, concert

**June 22-23 at 7 p.m.-6 p.m.** Turandot, opera

**ASTANA BALLET**

**June 23-24 at 6 p.m.** Giselle, ballet

**June 26 at 7.30 p.m.** Pastoral symphony, Five tango, ballet

**June 27 at 7.30 p.m.** Romeo and Juliet, ballet

**ASTANA ARENA**

**June 17 at 5 p.m.** FC Astana – FC Irtysh

## PEOPLE

WEDNESDAY, JUNE 13, 2018

## Karaganda resident creates exoskeleton to help individuals with physical challenges

By Dana Omirgazy

ASTANA – Novice Karaganda inventor Vyacheslav Litvinov has produced portable rehabilitation exoskeletons intended for individuals with locomotor apparatus damage and those who have lost the ability to move independently, according to kapital.kz.

An exoskeleton is a special wearable device that restores lost functions, strengthening human muscles and expanding the amplitude of a person's movements.

"The exoskeleton repeats human biomechanics for a proportional increase in effort during movements. There are several types of such devices; for example, passive and active exoskeletons. Initially, I managed to develop an exoskeleton of a passive type. It helps a person after a stroke, for example, to get a chance to stand and walk,



Vyacheslav Litvinov

but only if a person still has internal muscular power to move with the help of an exoskeleton. Later, I began to develop an active, robotic exoskeleton. This model is designed for people with a paralyzed part of their body, for example, limbs. All models of exoskeletons help a person not only move, but also receive treatment. It has long been proven that locomotion train-

ing implies kinesiotherapy, which helps return physical abilities to patients," said Litvinov.

He was able to acquire all the needed raw materials in Kazakhstan to fashion the exoskeletons.

"Basically, all components were bought in a construction shop and electronics store. For the design of the exoskeletons, I purchased boards, servo drives and aluminium plates (stiffeners). I printed stiffeners on a Russian 3D printer," he added.

Litvinov intends to establish large-scale production, noting foreign exoskeleton analogues are several times more expensive than his models.

"The first development of passive exoskeletons cost 30,000 tenge (US\$91). Gradually, the quality and cost of exoskeletons increased. For example, the cost of my active exoskeleton is 240,000 tenge (US\$728). Foreign

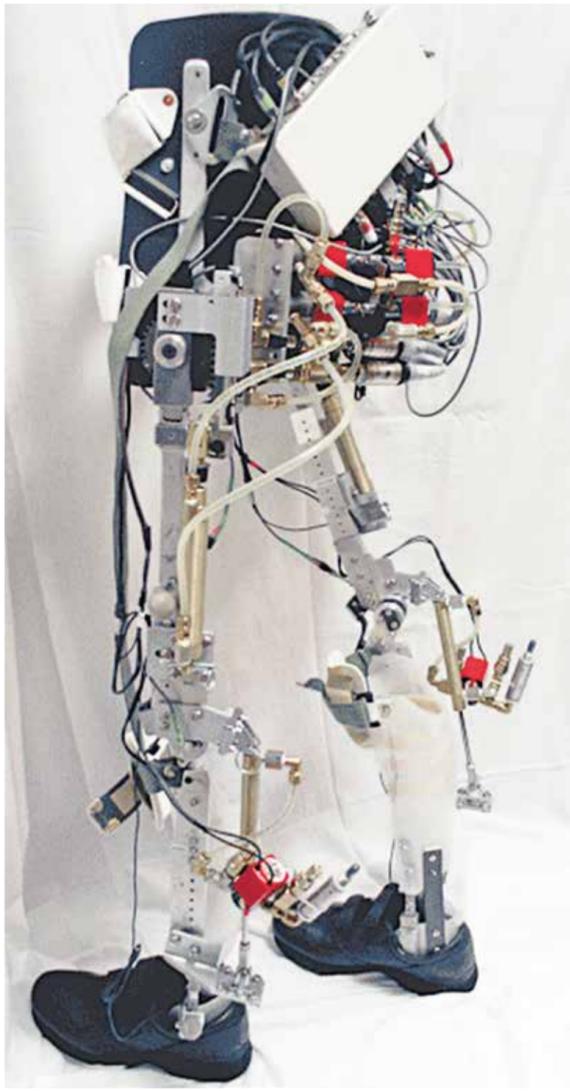
"The exoskeleton repeats human biomechanics for a proportional increase in effort during movements. There are several types of such devices; for example, passive and active exoskeletons. Initially, I managed to develop an exoskeleton of a passive type. It helps a person after a stroke, for example, to get a chance to stand and walk."

analogues of passive exoskeletons cost 120,000 rubbles (US\$1,938); active ones, approximately \$9,000. My third exoskeleton, the most innovative, cost one million tenge (US\$3,036). Given the prices for exoskeletons abroad, I would like to arrange their production in Kazakhstan at affordable prices," he said.

To date, Litvinov has sold nine exoskeletons. The individuals for whom he created devices positively evaluate his work.

"My first passive exoskeleton was approved by a woman from Pavlodar who suffered a stroke. She had a post-stroke state; she could not walk, but after seven months of wearing an exoskeleton, the woman was able to move independently," he added.

Photo credit: kapital.kz



## Police officer, father of 11 among 100 New Faces



Photo credit: I. Moshina et al.

By Meruyert Abugaliyeva

ASTANA – Galym Arystanbayev, a 40-year-old senior sergeant in the Zhambyl region police department, is the father of 11 children who believes in the importance of unity within a family. He and his wife, Aliya, have adopted eight children from local orphanages.

Arystanbayev is one of 102 finalists in Kazakhstan's 100 New Faces project, which showcases their exemplary personalities and spreads their success stories.

"Upbringing starts at home; therefore, we make every effort to bring our children up properly. We want to motivate them to follow their passions. One of our children dreams of becoming a teacher,

while the other is keen on boxing. One of my sons wants to follow in my footsteps and be a police officer," he said.

The couple had three sons and always dreamed of a daughter.

"At that time, my wife came up with the idea of adopting a baby girl. I was not against it, so we went to the orphanage and found our daughter. It occurred that she also had a little sister, brother and a friend. For a couple of weeks, we took them home for weekends and after several months decided to adopt five children," he added.

The Arystanbayevs adopted three more youngsters last year.

"My wife, Aliya, who previously worked as a teacher, is mainly responsible for the upbringing and care of the children. She decided to quit her job and devote herself

completely to the family," he said.

The couple is raising six sons and five daughters. The family is truly international, as the children represent different ethnic groups.

"We have Azerbaijani, Chinese, Uzbek, Romanian, Uyghur and Russian children. Our youngest daughter is Tatar. Our children are all different; however, they all speak one language, Kazakh," he noted.

In 2017, the Arystanbayevs were awarded first place in the Mereili Otbasy (Happy Family) regional contest.

"I dream of my children growing up as decent citizens of our country," he said.

Arystanbayev does not want to limit the number of youngsters to 11, however, and he and Aliya plan to adopt more children.

## One of 100 New Faces focuses on women's rights

Continued from Page B1

At the age of 22, Urazayeva also founded the USC Travel Company.

"We help companies that enter the local market to adapt to the business environment. We offer the registration of work permits and registration of foreign citizens. We offer air tickets, hotel reservation in the country with discounts, and accommodation in apartments. This sphere used to be a priority for me in the past five years, but now I'm focusing more on social activities," she said.

In 2013, Urazayeva became the Deputy Chair of the First Anti-Corruption Media Centre. As a member of the Association of Psychologists of Kazakhstan, she created the Academy of Success providing consulting services, trainings with the participation of international



Assemgul Urazayeva

experts on personal development and family relations.

"Last year, we conducted a project to support the physically challenged with the regional Pros-

ecutor's Office. The working group was created to provide wheelchair access for barrier-free movement in the city. Now more than half of the ramps have already been replaced," she said.

The association cooperates with related organisations in Central Asia and has representatives in Astana and Almaty.

"We monitored rehabilitation centres and mothers' homes. The statistics on domestic violence are relatively high. It is difficult for children to endure family disagreements. In some families, it is a standard situation that a woman must endure violence for the sake of children. Almost every third family encounters this. Children are the most sensitive and they understand everything that happens. It is necessary to develop the institution of the family," she said.

# IF NOT YOU, WHO? IF NOT NOW, WHEN?

## #BECAUSEHUMANITY

AFTER A NUCLEAR BLAST, SOME SAY ALL THAT'S LEFT OF WHO OR WHAT WAS THERE BEFORE IS DUST AND SHADOWS. TODAY, OUR PLANET AND ITS PEOPLE LIVE WITH THE DARK SHADOW OF THE NUCLEAR THREAT. IT FOLLOWS US WHEREVER WE GO. THE ATOM PROJECT AIMS TO SHINE A LIGHT ON THIS PROBLEM—AND THE SOLUTION.



THE ATOM PROJECT  
THEATOMPROJECT.ORG



# CULTURE

WEDNESDAY, JUNE 13, 2018

## Exhibition showcases international artists' depictions of Astana

By Assel Satubaldina

ASTANA – The Nur Kelbetti Festival unveiled an exhibition June 12 at Kazakhstan's National Museum featuring paintings of Astana's landscapes and sights from different angles. The exhibition will run through June 30.

Twenty artists from around the world were tasked with painting their visions of Astana within four days after touring the city and its sights.

The participants included 13 artists from Belarus, Brazil, Croatia, Japan, India, Italy, Kyrgyzstan, Russia, South Korea, the Netherlands, the U.K., the United States, Turkey as well as seven Kazakh artists.

The 13 foreign artists were chosen from 250 applicants.

Festival organiser Sultan Srailov said the participation of foreign artists in the festival broadens the image of the city.

"They will take their sketches with them and will be working on them at home, presenting them at their personal exhibitions throughout the world. The artists could look at our city from a different perspective and depict local nature, architecture, cultural and historic sights in their paintings," Srailov told a press conference.

The distinct feature of the exhibition is the diversity of how artists see Astana.

The goal of the festival, noted the organisers, is to use art to familiarise visitors with the Kazakh capital, its history and development, cultural sights and people.

There were no restrictions as to how many paintings could be created.

Dimitris Voyiazoglou from the Netherlands produced nine paintings during his stay in Astana and four of them are displayed at the exhibition.

"I am a street painter. I went outside to paint, except for one day,



when there was bad weather. It was very nice to go outside on the street, paint and see people of Astana," said Voyiazoglou told The Astana Times.

Voyiazoglou was born in Greece but lives in the Netherlands.

"People were all very positive. They were all very interested in what I was doing. It was very nice to see how people react," he added.

Several artists chosen had never been to Kazakhstan. One of them is Artem Mirolevich, an award-winning New York contemporary artist, curator and founder of the New York-based Russian Art Pavilion established to promote artists from Russia, Eastern Europe, the Caucasus and Baltic region in international exhibitions.

Born in Minsk, he moved to the United States at the age of 17.

"I travel often to take part in such events. Currently, I am a curator at the Barcelona art residence, where several years ago I invited a couple. Both were artists and the young woman was from Kazakhstan. She learnt about this event and sent me the information," he said.

"During the first two days we were touring the city. Then we were provided with materials and work space at the Youth Centre or plein air (going outside to draw) depending on what the artist wished," he said commending the level of the organisation.

Similar to Voyiazoglou, he was

pleasantly surprised by the people in Kazakhstan.

"Even when we went out somewhere, everywhere people are very pleasant, friendly, modest, with a pride inside, but modesty outside. Sunny country and sunny people," he said.

In his attempt to learn more about the country, he visited the National Museum first.

"I was born in the Soviet Union myself and I have heard about Kazakhstan but did not know its history and culture that deeply, as I have never been here before. Therefore, I asked my curators where there is a history museum," noted Mirolevich.

What he liked about Astana is futuristic buildings of diverse forms and greenery rapidly growing across the city.

"When I travel, I love old buildings and cities or such architecture of the future (as in Astana). I love the city visually and I like the big space here. There is much greenery and parks. The city is comfortable for people and at the same time it is very compact," he said.

Visiting nearly 50 countries worldwide, Mirolevich said Astana is a "city of future."

In his two paintings for the exhibition, future, present and past resonate with each other in a "conceptually philosophical" style with "elements of surrealism."

One painting depicts Astana's famous 97-metre Baiterek Tower and another is a portrait of a young Kazakh lady embodying "the real nature of the nation, city and its soul."

"I liked the legend about Baiterek and Samruk (ancient bird). What I painted is not very real but with evident elements of architecture and, in the middle, I drew the real Baiterek, enormous tree rising over the city with other buildings seeming to be very tiny," he explained.

He tried to reflect the different angles of the legend and realities into his painting, said Mirolevich.

As part of their visit to Astana, the artists also conducted workshops for art teachers, students and schoolchildren.



## Astana Opera presented music of love

By Yerbolat Uatkhanov

ASTANA – Astana Opera, one of the most important cultural entities in the Kazakh capital, joined the city's 20th anniversary celebration June 10 with remarkable young artists performing classical works about love.

"At all times, love inspired authors to create masterpieces in all forms of art. Each composer devoted more than one work to this glorious feeling. Singing about love is a special thrill for the young soloists. This evening, we will try to convey to the audience all the richness of emotions, heartfelt warmth and depth of feelings expressed in music," said pianist Yelena Sakhno in an interview with The Astana Times.

Astana Opera soloists and international competition laureates Ramzat Balakishiyev, Malika Minisini, Shyngys Rassylkhan, Nazym Sagintai and Yerzhan Saipov, as well as Sakhno who also acts as a pianist for the Mad-eniyet Kairatkeri group, performed popular works on the tender feeling. The concert, When the Heart Sings with Love, was performed in the opera house's Chamber Hall.

The programme featured Kazakh, Russian and Western European masterpieces. The concert included everyone's favourite songs and romances such as Kazakh folk song "Ahau Kerim," "Iz travy ya vzletela" (I flew out of the grass) by Gaziza Zhubanova, "Karatorgai" (Akan Seri), "Aksisa" (Zhaiau Musa), "Torna a Surriento" (Ernesto de Curtis), "Chanson de L'Adieu" (Francesco Tosti), "Mamma, son tanto felice" (Cesare Bixio), "Vergin, tutto amor" (Francesco Durante), Russian

folk song "Ah, Ty, Dushechka" (Oh, you, darling), "Somneniye" (Doubt) by Mikhail Glinka, "Sred Shumnogo Bala" (Amid the din of the ball) by Pyotr Tchaikovsky and "O, esli b mog vyrazit v zvuke" (Oh, if I could express it in the sound) by Leonid Malashkin.

The artists presented arias and duets from the world's opera repertoire – Rosina's, Berta's and Basilio's arias from "Il barbiere



Yelena Sakhno

di Siviglia" by Gioacchino Rossini, Confusa Smarrita's aria from Giovanni Pergolesi's "Catone," Irene's aria from "Bajazet" by Antonio Vivaldi, Barcarola from Jacques Offenbach's "Les contes d'Hoffmann," Lensky's arioso from Tchaikovsky's "Eugene Onegin" and Gryaznoy's aria from Nikolai Rimsky-Korsakov's "Tsarskaya Nevesta" (The Tsar's Bride).



## OTOSOTR: WWII monodrama to be staged in UK and US

By Dana Omirgazy

ASTANA – OTOSOTR (On the Other Side of the River), directed by Tatyana Kim and performed by Kazakh actor Anatoliy Ogay, has been included in the official programme of the Edinburgh Festival Fringe, the world's largest theatre festival, in August and the main programme of United Solo, the largest solo performance festival, in New York in October.

The monodrama, which premiered in early May at ARTISHOCK Theatre in Almaty, tells the story of Soviet soldier Anatoliy Ogay. His grandson, who was named after him, is the single actor and narrator.

Partners in life and art, Ogay and Kim have been living, studying and working in Los Angeles for more than six years. During their stay in Almaty, they shared impressions from their premiere performance and talked about upcoming festivals in an interview for this story.

"It was amazing. We started preparing for the show in Almaty in March – rehearsing, tuning up the script, contacting the press and all that jazz. The event seemed so far away, but the next thing you know, you are singing the closing tune and wishing there was one more



Anatoliy Ogay

show the next day. There definitely was a moment of sadness after we were done, but at the same time, we knew our next move on the map was more shows to be excited about," said Ogay.

"We had three shows and all three nights were sold out, which makes us really happy. It is important to mention that this success was achieved by goal-oriented and dedicated teamwork. Our amazing co-producer Galina Kiryan and

PR director Larissa Pak helped us tremendously along the way. Bringing people to the theatre to a mono-play where the main topic is war is a tough task, but we accomplished it with success. One of the surprises for us during our short run was that a lot of guests were not familiar with the form of a monodrama and in some cases with the modern theatre in general. Another surprise was the age of some of the audience members. A lot of them

were between 10 and 18 years old. That was one of our goals – to bring the generation of the Internet to see this story and share our version of the war in the language they understand and talk," added Kim.

Ogay devoted his performance, held during the Victory Day celebration, to his grandfather, one of 200,000 Koreans deported from the Russian-Korean border by the Soviet government in 1937. The performance explores the life of

the 17-year-old Soviet soldier, who fought Nazis in Berlin in 1945, survived the Communist regime in 1991 and preserved his Korean identity throughout his life.

"The festival was organised as an attempt to get over the terror of war and to celebrate peace with theatre and performance art. OTOSOTR was accepted to be part of the programme curated by Underbelly, one of the biggest venues at the fringe. We are doing a full run, which is 27 performances with one day off in the middle. This is going to be the first time a play from modern Kazakhstan will be shown in the biggest international theatre arena. Absolutely, it is an important moment for us and at the same time a unique opportunity to see theatre that came from the country that they only heard from a character of one of my favourite comedians Sasha Baron Cohen and recently from GGG (Gennady Golovkin). We are excited to share our little story with the world," said Ogay.

United Solo is entering its ninth season.

"The show will be presented Oct. 27 on Theatre Row on 42nd Street in New York City. It is a great opportunity to see the most exciting, extraordinary solo theatre in the world. It is important to mention that while we are preparing for the international touring we are hoping to get support from people and organisations in spreading the voice of Kazakhstan's theatre creators in the world," he added.

The Scottish festival, held annually since 1947, will provide a global stage for the monodrama about bravery and love of country.

WEDNESDAY, JUNE 13, 2018

# President congratulates graduating class at Nazarbayev University

By Zhanna Shayakhmetova

ASTANA – In 2018, 811 students graduated from Nazarbayev University, as more than 140,000 students are graduating from high schools nationwide.

Kazakh President Nursultan Nazarbayev attended the June 1 commencement ceremony of his namesake university and congratulated students on the day of the fourth graduation of the young institution.

“Today, 1,800 graduates of the university are successfully employed in different companies in Kazakhstan and abroad. More than 100 graduates received offers from top universities to continue their studies. This proves the quality of educational programmes at the university,” he said.

The President noted the role and importance of research universities in educational and innovative development. The university is now a symbol of renewal, a key to the country’s potential scientific, innovative and human growth, he added.

As a result, more than 1,700 publications were observed in



high-ranking international publications and 36 patents were received. Corporate sponsors allocated more than 40 grants for scientific research. Twenty-one projects were supported to help commercialise research results.

The head of state said that the university’s further successful development will contribute to the growth of human capital and

help build an educational hub in the Central Asian region.

The President called upon Nazarbayev University to focus on advancing its intellectual and scientific resources, to promote innovative production and entrepreneurship and to develop a distance-learning platform.

“The university should attract the best students not only from

Kazakhstan but also from neighbouring countries and beyond. The university should become a platform for joint implementation of youth projects, an educational platform that offers online courses like Harvard University, Coursera and Khan Academy.”

Nazarbayev also spoke about five global trends discussed at the recent Astana Economic Fo-

rum, reminding graduates that they play a vital role in the economic, political and spiritual modernisation of their country.

“As a young generation that represents a renewed Kazakhstan, you will implement all the new initiatives. Your energy, drive, intelligence and creativity are the key to the successful development of our homeland. You have your own unique path. I am proud of you,” he said.

Nazarbayev University President Shigeo Katsu noted, “More than half of [Nazarbayev University] graduates are employed immediately. They work in financial services, engineering, robotics, and find jobs in large consulting companies. We are pleased to observe the trend of our graduates opening their own businesses. Our students work in Kazakhstan, and those who leave continue their education. Some students also successfully work for international companies.”

Khamza Sharifzoda from Tajikistan was among those who received a diploma with honours from the Kazakh President.

“I want to thank President Nazarbayev for his initiative to establish [Nazarbayev Univer-

sity], which provided me with competitive knowledge in my field; the staff of the university, whose eagerness to help me made me feel as if I was back at home; and my family for their persistent support,” said Sharifzoda, who studied the politics and governance of the Russian Federation, Eastern Europe and Eurasia.

More than 30 Nazarbayev University graduates from previous years are working in Asia, Europe and North America. Some are employed in leading IT companies including Google, Microsoft and other Silicon Valley-based organisations. Approximately 4,000 students are currently studying in various programmes at the university.

Nazarbayev University offers bachelor’s, master’s and doctoral programmes developed in partnership with the world’s leading universities. Acclaimed national and international researchers are invited to train students; to ensure a close relationship between education, science and production; and to create an effective academic environment for the development of the country’s human capital.

## Vice minister of agriculture identifies six key problems

By Assel Satubaldina

ASTANA – First Vice Minister of Agriculture Arman Yevniyev

development programme recently endorsed by the government.

“When we juxtaposed the existing six indicators stipulated in the current national programme (of ag-



First Vice Minister of Agriculture Arman Yevniyev.

indicated six key problems in the country’s agricultural sector during a May 29 government meeting. The issues include low labour productivity, low product competition, poor technical equipment, lack of knowledge, expertise and qualified specialists, low profitability and high overhead expenses.

Yevniyev noted the need to develop agricultural cooperatives to address the problems. He added the law adopted in 2015 for the first time defined the legal status, rights and duties of agricultural cooperatives and bottom-up organisations formed by small farmers to increase productivity and profitability and prevent market failure.

Kazakhstan has emphasised developing its agricultural sector, as more than 70 percent of the country’s area is suitable for production. Yet small farms spread throughout the nation face numerous disadvantages that eventually impede their access to the market supply chain, making it difficult for them to compete with large companies and enterprises.

As of April 1, 2,849 such cooperatives with more than 62,000 people have been registered. A recent government audit, however, revealed more than half are active only on paper.

“Based on the results of the audit conducted by the administration of the President, a range of systematic problems was revealed that inhibit the effective development of the agriculture cooperative system. This includes a big share of idle – 18 percent and formally created cooperatives – 42 percent,” said Yevniyev.

The six problems will be reflected in developing the new target indicators envisioned in the agriculture

development), we found out they do not allow assess to what extent the above-mentioned problems are being tackled and do encourage participants of cooperatives and local administration to fabricate the results. Therefore, we need to replace the current target indicators,” he noted.

“The proposed target indicators stimulate the participants of cooperatives to conduct an economic analysis of the whole production chain and technological and marketing processes to identify and eliminate obstacles,” he added.

Yevniyev suggested introducing three key measurable indicators – productivity growth, profit growth and investment growth – for an annual growth of no less than 10 percent. He also proposed equal subsidising conditions as part of state-run support programmes as a way to develop agriculture cooperatives.

Agricultural cooperatives can exist in two forms – horizontal and vertical. The latter implies cooperation between small and medium farms to pool resources and create a joint cooperative with an opportunity to establish associations and larger cooperatives in the future. Yevniyev cited the experience of Denmark, the Netherlands, New Zealand, South Korea, Sweden and the U.S.

The work of such cooperatives, however, needs to be systematised and digitised and a special Internet portal currently under development will enable collecting information, monitoring cooperatives, evaluating results, controlling the number of jobs and tracing the productivity of each worker, as well as teaching digital literacy.

## Kazakhstan prepares for newly adapted social health insurance

By Amir Khaidar

ASTANA – Kazakh Healthcare Minister Yelzhan Birtanov has proposed new approaches to the free medical care and medical benefits package under the compulsory social health insurance system, reported priminter.kz.

The model will be implemented in three phases. In the first stage, a full audit of medical care under existing conditions will be conducted as it relates to guaranteed free medical care. Maximum

attention will be paid to detail and optimisation by prioritising and limiting medical services.

In the second stage, a new model of guaranteed free medical care will be presented simultaneously with the introduction of compulsory social health insurance. Birtanov noted this phase will be characterised by defining the clear boundaries of the state’s obligations under the programme and further ensuring the policy aimed at developing preventive and primary health care. The process will also include full-scale transition to the health insurance

system and its continued development.

The third stage will involve a regular update to the lists of guaranteed free medical care and compulsory social health insurance, taking into account developing medical technologies.

The healthcare ministry guarantees medical care will be provided to every person in an emergency situation, as well as for pandemics and diseases that can result in demographic crises or disability.

The detailed list of guaranteed free medical care developed for

the current year is structured according to the norms of medical care with an emphasis on the preventive direction of primary health care.

“In the system of compulsory social health insurance, medical assistance will be aimed at improving the quality of life of every citizen. The bill introducing the new model of guaranteed volume of free medical care and the medical benefits package in the compulsory social health insurance system has been prepared. The bill passed all examination stages,” said Birtanov.

Prime Minister Bakytzhan Sagintayev instructed the healthcare ministry to conduct outreach work with the public, noting the need for every citizen to know which medical care is provided free of charge and which is on a fee basis.

## Officials report on children’s summer recreation programmes

By Dana Omirgazy

ASTANA – At least 2.5 million children will be provided with recreational activities during summer vacation, said Kazakh Minister of Education and Science Yerlan Sagadiyev during the May 29 government meeting. As the youngsters begin their holiday, officials considered organising health-related recreation and leisure events.

Sagadiyev noted 2.815 million Kazakh children are enrolled in grades one-10. This year, 15,597 health camps and sites will operate during the vacation period.

“Summer holidays for children are organised in two directions:

health improvement and activities. A least 2.5 million children, or 92.2 percent of the total number of school students, will attend the camps. Activities and leisure in summer (sections, clubs, excursions, etc.) will be organised for 2.557 million, or 91 percent of schoolchildren,” he said.

During vacation, children will be able to attend Olympic reserve summer schools, language schools, debate clubs, more than 14,000 interest clubs, courtyard clubs, art lessons and more than 19,000 sporting events and excursions.

Approximately four billion tenge (US\$12.1 million) was allocated from the local budget this year to provide financial and mate-

rial assistance in organising summer vacation activities for gifted children and those from socially vulnerable segments of the population.

The parade of musical ensembles at all schools, scheduled for June 1, will be the biggest event of the summer, said Sagadiyev. More than 500,000 children from all regions are expected to take part in the International Children’s Day activity. Compared to last year, the number of children has increased five-fold.

Astana Akim (Mayor) Asset Issekeshev noted 133,000 children will enjoy a nature-filled vacation in the city. At least 77 of its schools will organise summer camps.

Prime Minister Bakytzhan Sagintayev focused on children’s safety by emphasising the need to strengthen public monitoring of children’s camps and conduct constant information and explanatory work among parents and teachers.

“Last year, the main reason for the tragedy with children was weak parental control and non-compliance with security measures. The main share – 99 percent – was accounted for in the swimming season. In this connection, the Ministry of Education and Science and the Ministry of Internal Affairs adopted an interdepartmental plan for organising children’s training in swimming,” noted Sagadiyev.

## Government for Citizens simplifies, shortens real estate registration procedures

By Rustam Mukhametkaliyev

ASTANA – Government for Citizens State Corporation intends to simplify real estate registration and reduce the times it takes, reported board chair Abylaikhan Osphanov at the May 23 Central Communications Service briefing.

“The rights to register real estate will be transferred from the Ministry of Justice to the Government for Citizens state corporation in the near future. This will simplify the procedure,” he said.

The changes will reduce the terms of services provided and cost of registration, excluding administrative barriers and reducing corruption risks during registration procedures. Revisions will also be made to the process for obtaining services without a notarised agreement and registering rights.

“The beneficiary now first comes to the Ministry of Justice to receive services without a notarised agreement. Then, the beneficiary visits the front office of the state corporation and submits the documents for the registration of rights. After the transfer of ser-

VICES, the beneficiary is able to get services on the same application at a population service centre (TsON),” he said.

The service recipient will also apply to a TsON in cases of errors and inconsistencies in information to be adjusted in the information system.

The state corporation currently conducts employee training and other preparatory activities.

Government for Citizens recently introduced advanced technologies in public services nationwide. The paper-free process allows individuals to receive frequently

requested documents without visiting a TsON.

The first digital service centre with self-service sectors was launched in the capital. The inaugural public service centre for immigrants was also opened, where applicants can receive medical examinations, fingerprinting and individual identification number.

More than 700 services can be obtained through the e-government portal and other sources. Digital offices are scheduled to open in additional cities in the near future.

WEDNESDAY, JUNE 13, 2018

## Foreign students' forum examines ways to implement Ruhani Zhangyru programme



By Aigerim Seisembayeva

ASTANA – More than 500 people participated in a May 29 foreign students' forum at L.N. Gumilyov Eurasian National University (ENU) to discuss the Ruhani Zhangyru (Modernisation of Kazakhstan's Identity) programme, the university's press service reports.

Participants discussed ways to expand the international impact of the programme, which was initiated in April 2017 by Kazakh President Nursultan Nazarbayev.

Student from France Jeremy Convert announced the launch of the 1001 Qadam (1001 Steps) Youth Project, which will hold rallies under the programme until the end of this year. He

invited foreign students to implement the steps of the project upon returning home for their summer holidays, including donating a book about Kazakhstan to local libraries, publishing an article in local media outlets, taking part in thematic events, publishing posts about the programme on social media and other steps.

Second-year doctoral student of ENU from Korea Chu Young Min speaks Kazakh fluently. She says language is not only a communication tool, but an identification of a person and a nation. She noted it is important to remember this and be grateful to ancestors for preserving and communicating the language to the youth.

Yursa Al-Shahman, a student from Iran, stressed that for her, the

programme was most interesting for the importance it attached to the development of trilingual education in Kazakhstan.

A visiting lecturer from Spain, Edita Denst-Garcia, spoke about the benefits of a project to translate the world's best textbooks into Kazakh.

Second-year undergraduate student of ENU from China Kanat Kahar suggested including one of the legacies of Kazakh literature and traditions – Kazakh proverbs and sayings – into the programme. He also proposed including the names of Kazakh heroes buried outside the country.

Head of the Ruh.kz website and businessperson Abai Sergazyev encouraged students to submit ideas to implement the programme.

The forum also presented a pro-

ject to translate President Nazarbayev's article "Course towards the future: modernisation of national identity" into the official languages of the United Nations. The project was developed with the participation of foreign students, visiting foreign professors and representatives of the university.

In addition, the forum announced the launch of the "We write using Latin script – we support Latin script" student project on social media.

The final document of the forum – the address by ENU foreign students – fully supported the Ruhani Zhangyru programme and called on all foreign students studying in Kazakhstan to support the forum's newly launched projects.

He emphasised the recommendation to expand vaccinations.

"Now, the vaccine is a paid one and it is available not only in private medical centres, but in state ones. We are also checking the situation with antibiotics. The main prevention is, along with the identification of carriers and patients from among contacts, also timely antibiotic treatment," he said.

Sixty-two cases of meningococcal disease have been registered in Kazakhstan this year. Of that number, 29 cases were recorded in Almaty, four in the East Kazakhstan region, three in the Almaty region, two in the South Kazakhstan region and two in the capital.

"There were eight fatal cases for the past period of this year, four of which were in Almaty and two cases each in the Almaty and the South Kazakhstan regions. In the South Kazakhstan region, fatal cases were registered in early January," said Bekshin.

## 2,000 Almaty residents examined for meningitis

By Yerbolat Uatqhanov

ASTANA – Responding to the eight fatal cases of meningitis registered this year, approximately 2,000 Almaty residents will be examined for the disease. Kazakh healthcare heads are confident the situation is under control and the infection chain will be broken.

Chief State Sanitary Doctor Zhandarbek Bekshin and Vice Minister of Healthcare Lyazzat Aktayeva were accompanied by reporters May 26 as they visited Almaty's hospitals for treatment of infectious diseases. Bekshin noted

the medical centres have available beds and in some cases empty wards.

"Today, the number of diseases and the incidence rate is not critical, so there is no reason to discuss the lack of places in hospitals," he said.

He attributed the deaths to the fact the affected individuals delayed seeking medical attention.

"All the fatal cases are primarily due to the fact that the patients came late; that is, they did not hurry to ask for medical assistance. Here is the last case – a student was ill and lay in a dormitory for three or four days. He did not ask about medical assistance

and when he asked, it was too late. Therefore, the main reason for the lethality is the untimely appeal to medical workers," he added.

Nearly 2,000 people will be examined, noted Bekshin.

"To date, the work of medical personnel and authorities is aimed at stopping the spread of this mechanism (transmission of infection from carriers). For this purpose, all contacts are taken into account. As of today, about 2,200 are being examined. At that, two people are carriers and three are being identified. That is, the detection process is active. We will interrupt the chain using the methods," he said.

## Paper nomads: Almaty residents warm to book crossing

Continued from Page B1

"Today, book crossing is de-

veloping in other regions of the country, including Astana. However, it is too early to talk about a

mass phenomenon, even in such reading cities as London or Moscow. Since this is a social pro-

ject, small forms of book crossing do not require much financing. A book crossing 'library' can be created in any space, office, bus stop, metro, restaurant, café, et cetera. Systematically, we should practice this movement in any part of our life. People will get used to bringing books for exchange, and not throw them out like paper. Every book has its own reader. The most important thing is to care," he said.

Kisikov hopes book crossing will become a movement independent of specific people, organisations or events. It should instead be a mass daily event.

"Previously, we had a book case with approximately 2,000 books for free access. Visitors could take what they liked or leave theirs. It was removed in May due to new plans. We intend to build an avenue of international writers and place several bookshelves there... Perhaps this place will become the most important point in book crossing," Altnai Baimukhanova, spokesperson for Kazakhstan's National Library, said.



## Astana hosts international forum on cooperation, technological innovation in higher education

By Amir Khaidar

ASTANA – Higher education leaders, scholars and representatives of government bodies gathered June 7 in Astana for the annual Eurasian Higher Education Leaders Forum to share their ideas, expertise and experience in changing higher education to meet the challenges of the age of disruption.

Kazakh Secretary of State Gulshara Abdykalikova in her welcoming address highlighted the significance of educating specialists in new formats, following advanced training programmes, so that in the future they are competitive on the labour market.

Higher education stakeholders, faculty members, scholars, government employers, education associations and organisations from 11 countries discussed social and technological changes that affect higher education and its development in today's rapidly changing environment.

"Every year in early June we organise and run this conference; each year we try to identify and discuss a topic that is highly relevant. We thought that discussing the impact of technology on higher education would be a very appropriate topic this year," President of Nazarbayev University (NU) Shigeo Katsu told the gathering.

He noted that technology will impact the way classes are conducted in the near future with an increase in distance learning and online classes. The act of learning will be concentrated at homes in front of computers or tablets, and it is important that universities adapt and respond to these external factors.

"We also want to make sure that our research is increasingly informed, meaning uses technology wisely. I think that the future is not in having fear of technology, robots or artificial intelligence, it is how we are going to collaborate and work with robots or artificial intelligence," Katsu added.

He stressed that it is important that scientists develop a strong background in social sciences and humanities. At the same time, future philosophers increasingly need to be numerically literate and understand the basics of computers and programming.

Forum participants also discussed the transfer of experience in NU regarding curriculum development and academic personnel recruitment with faculty members and board members of domestic and foreign educational institutions.

"I think that international collaboration is critical for the success of NU or other universities in Kazakhstan. Providing opportunities for students to have an outlook is critical for the success of the students today. So I think that connection with international partners, international universities is important for everybody," said Benjamin Wah, provost of the Chinese University of Hong Kong.

He also noted the NU experience is a great model for the country to follow, and that it was something that all countries aspiring to excel in educational research should investigate. A transformation in terms of developing excellency in learning and research will be critical for the success of Kazakhstan in the future, he said.

## Government, financial institutions increase support for women entrepreneurs

Staff Report

ASTANA – Approximately 11,180 individuals, including 6,270 women, have applied to participate in the Nurlu Zher housing construction programme since 2017, according to a report presented at the June 6 National Commission for Women and Family and Demographic Policy meeting chaired by Secretary of State Gulshara Abdykalikova.

She noted President Nursultan Nazarbayev pays attention to the well-being of all families.

"The 7-20-25 programme providing a low-cost, long-term mortgage loan is the first one of the five social initiatives. The Nurlu Zher programme, aimed at solving mortgage problems and construction of rental and commercial housing, is also being implemented on instructions of the head of state," she said.

Women have benefitted in several ways. To date, 4,105 women have purchased homes, according to Zhilstroisberbank. The Damu Entrepreneurship Development Fund implemented a microloan programme for women entrepreneurship in 2010 that provides microloans with preferential terms. Since its inception, 1,654 people have received loans totalling 14.3 billion tenge (US\$43 million).

The report also indicated 41,855 borrowers and 14,374 women entrepreneurs in rural regions were granted loans as part of the Productive Employment and Mass Entrepreneurship Development 2017-2021 programme.

The Atameken National Chamber of Entrepreneurs launched the Business Bastau project to increase the market activities of the self-employed and unemployed in the regions. As a result, 15,000 people, 41.5 percent of whom are women from 14 regions, participated in the training. At present, 3,314 people, including 1,204 women, have started and expanded their businesses.

"The 7-20-25 programme providing a low-cost, long-term mortgage loan is the first one of the five social initiatives. The Nurlu Zher programme is also being implemented on instructions of the head of state."

Small and medium-sized businesses are also supported as part of programmes initiated by Asian Development Bank. One-third of lending is directed to women and 750 projects worth 51.9 billion tenge (US\$155 million) have been financed.

The European Bank for Reconstruction and Development (EBRD) allocated 11.1 billion tenge (US\$33 million) to support 256 entrepreneurs as part of the Women in Business programme.

# TOURISM

WEDNESDAY, JUNE 13, 2018

## North Kazakhstan region develops camping, caravan tourism

By Zhanna Shayakhmetova

ASTANA – The North Kazakhstan regional government plans to develop camping and caravan tourism in the area, reports the regional akimat's press service.

Locations for caravanning have been found at the Turpan recreation centre near the Lake Shalkar. It is planned to equip the parking lot with utilities and a tent site.

"We should create favourable conditions for camping. A special zone with security should be here for vehicles. Tourists need various types of entertainment. An area for beach volleyball should be provided. The shore of the lake must be clean. We need to provide safety and security measures. We will be glad to welcome tourists

here," said North Kazakhstan region Akim (Governor) Kumar Aksakalov during his June 5 visit to the Imantau-Shalkar resort zone in the Aiyrtau district.

Thirteen summer houses accommodating 52 people are already available.

The Shalkar Su, a local sanatorium, requires major repairs and is seeking investment.

Ten recreation centres will be constructed this year in the resort area. The total investment is 411 million tenge (US\$1.2 million). Eleven land plots with an area of 65 hectares were granted to entrepreneurs. The houses, summer lodges, cafes, gazebos and shops will be built. It is planned to develop medical, hunting, fishing and sports tourism.

The construction of the Solnechnoe VIP recreation resort has

been completed. Yachting and aeronautics services will also be provided there.

Road infrastructure is important for tourism development. About 4 billion tenge (US\$12 million) has been budgeted for highway repairs in the Aiyrtau district.

The district has 37 tourist facilities. Last year, the amount of investments for construction and repairs of recreation centres totalled 106 million tenge (US\$319,527).

Overall, approximately 80,000 tourists visit the region every year. The authorities are also working to improve the infrastructure in Petropavlovsk. Entrance to all museums is free in the region. The Zaman Taspasy (Chronicles of Time) project was developed for visitors to get acquainted online with local historical monuments of the city.



## Map of sacred places to be completed by 2021



Kyzylkent.

### Staff Report

ASTANA – Nazarbayev University's National Laboratory Astana will create and make available online a map of Kazakhstan's sacred places by 2021. The project is part of Kazakhstan's Ruhani Zhandyru programme.

"The project will require three years. We gradually collect information about sacred places in Kazakhstan and convert it in electronic format, which will later be available online," said Junior Researcher at National Laboratory Astana in Nazarbayev University Veronika Dashkova.

The annual Kieli Kazakhstan

(Sacred Kazakhstan) expedition, organised by Kazakhstan National Geographic Society QazaqGeography and Nazarbayev University (NU) also recently contributed to the project.

"This year we explored an ancient wooden mosque in Akkol, Konyr Aulie cave, Ablai kit monastery, Akkol mazar, mosque built by Abai Kunanbayev's father and Kyzylkent temple during the May 17-26 trip," said QazaqGeography International and Research Projects Department Manager Nurzhan Algashov.

A series of Kieli Kazakhstan trips have been made to study spiritual heritage objects.

"These objects are a clear evi-

dence demonstrating that Kazakhstan has been inhabited by people with various religious practices and world views. For example, the mosque in Akkol was constructed by Bashkir architects in Siberian and Tatar style, while manuscripts in the Oirat languages and images of Bodhisattva were found in the Dzhangar Ablai kit monastery dating back to the 17th century. Red temple of Kyzylkent was also built by people adhering to Buddhism," he noted.

More than 40 manuscripts in the Oirat and Turkic languages, examined during the trip, were converted to digital format and geographic information systems (GIS) coordinates of sites were identified.

## Bukhtarma Reservoir offers energy and entertainment



By Meruyert Abugaliyeva

ASTANA – The Bukhtarma water reservoir in East Kazakhstan region is more than just one of the five largest artificial reservoirs in the world. Surrounded by the Altai Mountains and forests, its beauty has also made it a popular recreation spot.

The reservoir was created during the construction of Bukhtarma hydroelectric power plant on the Irtysh River in 1960. It includes parts along the Irtysh River and Zaisan Lake.

The reservoir's power plant produces electricity and the water

body creates favorable conditions for ships to travel along the river to Omsk, Russia. The reservoir is also used for irrigation and water supply to nearby settlements.

Bukhtarma, the largest artificial water reservoir in Kazakhstan, is commonly referred to as the sea because of its size at 425 kilometres long and 35 kilometres wide. The average depth is 9.6 metres, although it reaches 60 metres.

The mountains, pine forests with aspens and rowans and fresh air carrying the scent of medicinal herbs surrounding Bukhtarma have made the spot popular with domestic and foreign tourists.

Bukhtarma offers health spas, re-

sorts and cottages along the shore starting from 4,000 tenge (US\$12) per day for one person.

The recreation area is easily accessible as recreations zones are located 80-150 kilometres from Ust-Kamenogorsk. Tourists can travel from Ust-Kamenogorsk to New Bukhtarma station by train or bus and then take a taxi to any recreation zone along the reservoir coast.

The full beauty of Bukhtarma can be enjoyed during the summer, when water temperature reaches 23 degrees Celsius. It is a lovely spot for trekking, picking berries in the forests, swimming and sunbathing.

## Senator Nazarbayeva proposes introduction of single Central Asian visa

By Assel Satubaldina

ASTANA – Central Asian governments should consider introducing a single visa for the region, said Kazakh Senate Deputy and International Affairs, Defence and Security Committee Chair Dariga Nazarbayeva during a recent meeting with Uzbek colleagues in the Sarygash border town in southern Kazakhstan.

She stressed the importance of developing tourism to "know better and trust each other."

"We discussed the need to facilitate the development of tourism not only in Kazakhstan and Uzbekistan, but also to foster the increase of the inflow of tourists coming from abroad. When they come to the Central Asian region, they want to see all major sights at once. For that we need to introduce a single visa regime," said Nazarbayeva.

Once a remote region located on what was known as the Silk Way that spun for centuries connecting Europe and the Far East, Central Asia is drawing increasing interest internationally as a mysterious and little known destination and a melting pot of cultures and people.

Central Asia is a far-flung region, she added, and visa application procedures are tedious for many tourists willing to visit the countries in the region.

"It could probably be an Asian 'Schengen' that could be called Silk Visa," said Nazarbayeva referring to the Schengen visa covering most of the European Union member states as well as Switzerland and Norway.

The countries have been taking measures to simplify visa procedures.

In 2014, Kazakhstan introduced a visa-free entry to citizens of ten countries allowing a visa-free stay for up to 15 days.

These included major investors in Kazakhstan: the United States, the United Kingdom, Germany, France, Italy, Malaysia, the Netherlands, the United Arab Emirates, South Korea and Japan.

The pilot project was a success and the government extended the list to 19 countries in 2015.

In 2017, in connection with the creation of the Astana International Financial Centre, that list was expanded to cover all citizens of

**Discovering the region and getting to know its culture and people within one tour would be a great opportunity.**

45 countries, including the European Union and Organisation for Economic Cooperation and Development member states, and the visa-free stay for them was extended to 30 days.

In Kyrgyzstan, passport holders of 61 countries also enjoy a visa-free stay for up to 60 days. Last year, the Kyrgyz government introduced an eVisa system enabling tourists to apply for tourism, business and group visas online.

"We need to create a transparent, open and friendly border, then our

relations in all areas will come to develop by themselves," said Nazarbayeva.

"I do not think that many visited Samarkand, Khiva, Bukhara. I was myself in Samarkand and Tashkent and I have never been to other cities," she added.

Kazakhstan first proposed a Central Asian single visa initiative in March. Kazakh Tourism national company chair Rashid Kuzembayev said in March a Central Asian visa would boost tourism.

Discovering the region and getting to know its culture and people within one tour would be a great opportunity, he said then.

"We think of a Kazakh-Uzbek travel route as a good idea. Tourists visiting the Uzbek part of the route could visit Samarkand, Bukhara, Khiva and, of course, Tashkent, while in Kazakhstan they can begin from Turkestan, Shymkent, Taraz and finish in Almaty and Astana. They can also visit our national parks, such as Sairam-Ugam, Aksu-Dzhabagly and others, where we can ensure an unforgettable experience from an eco-tourism perspective," he said in March.

Sacral tourism, including visits to sacred and religious sites, might also be attractive to tourists, according to Kuzembayev.

"In the long-term, this initiative will be proposed to our neighbours – Kyrgyzstan, Tajikistan and China," he added.

European Bank for Reconstruction and Development (EBRD) President Suma Chakrabarti recently commended the Kazakh initiative saying it would be a "game changer for the region."

# THE ASTANA TIMES

Dear Friends,

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

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

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

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

THE ASTANA TIMES  
astanatimes.com

WEDNESDAY, JUNE 13, 2018

## International championship-winning coach from Ukraine takes reins at FC Astana



By Anuar Abdrakhmanov

ASTANA – Roman Grigorchuk, former manager of Latvia's Ventspils, Ukraine's Chernomorets and Azerbaijan's Gabala, has now been appointed head coach of FC Astana. The Ukrainian has extensive experience working with clubs in the group stage of the Europa League, having taken three of his clubs there for a total of four showings.

In the 2013 to 2014 season, he reached the round of 16 of the second major European tournament with Chernomorets. Grigorchuk has also won the Latvian championship three times and twice won the Latvian Cup. He has taken teams to silver and bronze medals in Azerbaijan's championship and has been recognised as a coach of the year in all of three countries where he previously worked. FC Astana President Sayan Khamitzyanov, in announcing the club's new manager, noted that former manager Stanimir Stoilov would now be heading Kazakhstan's national

football team, and that the agreement with Grigorchuk had been in the works for some time.

"Of course, we wanted him to arrive to us earlier, but he had a current contract with the club in Azerbaijan; therefore, the signing was postponed," Khamitzyanov said. "Roman Grigorchuk is experienced. We have agreed with Grigori Babayan that he would permanently act as a coach until the arrival of a new coach. Grigori Konstantinovich continues working in the coaching staff of the club and will be Grigorchuk's right hand. We hope that in Kazakhstan he will win many trophies. Grigorchuk is an ambitious coach. He aims to win championships and to perform successfully in European tournaments. We have signed a contract for two years."

Grigorchuk said joining FC Astana would be a step forward for him.

"I am proud of being a coach of FC Astana," he said. "As a result of their hard work, Astana is well known in European football. It places a responsibility on us. This

club should have its victories. My work will be to reach them. It is a great pleasure that the media show interest."

In response to questions, Grigorchuk said his goal was to win with Astana's current players, who he called well-chosen.

As for joining the team without having spent pre-season training time with the players, he said, "all we need is to work."

"FC Astana is at the level when the team sets great tasks. It is more important to have a match that will allow us to reach great results. On the other hand, I do not see any hardships. All we need is to work... Nothing is perfect. There are moments that we need to improve. I only want to help Astana continue winning. It is certain that we will take steps to improve playing. My team and I should improve each day."

As for taking a Kazakh team to the Champion's League, he said, "I, of course, can say that I am ready, but does it change anything? In order to win, many things must coincide. Now, the task of making the Champions League is difficult, but it does not mean that we will not try. I like the way [Astana's] footballers were selected. The coach can only recommend someone. Our decisions will be built upon this leadership."

The challenges the team faces are, of course, travel times, he said, especially in the summer. "It gets hard as there is a difficult schedule. Flights, scheduling problems are not easy. It is certain that the team should be full, so the coach can substitute [as he needs to]."

## Kazakhstan football team beats Azerbaijan in friendly match



By Anuar Abdrakhmanov

ASTANA – The Kazakh football team recently beat the Azerbaijan team 3-0 in a friendly match.

Kazakhstan scored twice in the first half. Roman Murtazayev scored the first goal followed by Serikzhan Muzhikov.

The Kazakh team continued to attack in the second half, and

Bakhtiyer Zainutdinov scored Kazakhstan's third goal with minutes remaining.

"I congratulate the entire Kazakhstan on the victory. Our footballers demonstrated that they are able to play nice football," said Kazakh Head Coach Stanimir Stoilov. "The main thing is that we have a potential for development. The victory does not imply that everything is going

well. The footballers fought for their authority. I always say that Kazakhstan's footballers have a potential. They have dignity; no one wants to lose. Everyone can see it. There was a good attitude. Those who want to fight for the country will be offered to play in the national team. We intend to give them hope. The players grow stronger in their clubs, and it is very good."

## Shchuchinsk hosts finals of SportFest athletic competition

By Assel Satubaldina

ASTANA – Five-hundred and twenty-eight of Kazakhstan's best student athletes competed May 31 through June 5 in the finals of the nationwide SportFEST competition in Shchuchinsk in northern Kazakhstan.

SportFest is Kazakhstan's largest student athletic competition and includes disciplines such as futsal, military applied sports, chess, table tennis, basketball and the Kazakh national game, togyzkumalak.

More than 6,000 students across 16 regions competed since last fall

to be among the finalists competing at Baldauren Camp.

Kazakh Senate Deputy Dariga Nazarbayeva congratulated the participants on reaching the finals.

Sport makes "strong personalities," said Nazarbayeva, and they are needed to build a "new Kazakhstan of the 21st century."

"The finalists are here today in Baldauren. Look at how many of you are here, beautiful, smart, strong and cheerful. Each of you is best in your region. Eight hundred schools of our country took part in the competition and now you represent your city, district and region. I am sure this is bright,

emotional and unforgettable experience," said Nazarbayeva.

"The future of the country is in our hands and these hands must be strong," she added.

"The unique project is aimed at bringing more school children to gyms and sport stadiums, so that sports become an integral part of our life. SportFEST should turn into an annual celebration of strength, beauty and health," she said.

Kazakh Minister for Religion and Civil Society Affairs Darkhan Kaletayev and Executive Director of the Youth Congress Tokhtar Bolyssov also addressed the students at the start of the finals.

## IBF strips one of Golovkin's world champion title

By Anuar Abdrakhmanov

ASTANA – The International Boxing Federation (IBF) recently stripped Kazakh boxer Gennady "GGG" Golovkin of his world champion title after Golovkin refused to hold an obligatory title defence fight against Ukrainian Sergey Derevianchenko until Aug. 3.

The decision followed a May 22 federation hearing in the United States attended by Golovkin, Derevianchenko (12-0, 10 KOs) and their teams.

Former world boxing champion Paul Malignaggi said he believed the federation stripped Golovkin's title because the Kazakh boxer was taking too long to give other fighters the opportunity to compete for the title.

"It is a difficult situation. Other boxers should also have title fights and one should not hold the

title for a long period. That is the policy. One can agree or not, but unfortunately it is often a part of the game. I remember my fight with Ricky Hatton, I should have

"I understand the situation with opponents – they should have an opportunity to fight for the title."

vacated the IBF title because of the same reason, because of an obligatory defence fight. Sometimes the situation goes this way. I understand the situation with opponents – they should have an opportunity to fight for the title. The champions hold the title for a long period especially in the cases

with rematches and trilogies. The peak of physical condition often lasts for only one or two years, but over this period the opponent does not have a chance to fight for the title. It is a tricky situation. On one hand, Golovkin is one of the best guys and rightly holds his belts, and on the other hand, there are other guys who deserve a title fight. That is one of the advantages of the concept of multi-championship. One can complain, but it is the reason why holding several championship titles is good," said Malignaggi.

Golovkin is in the midst of negotiations for two fights. Talks with Mexican Saul Alvarez (49-1-2, 34 KOs) have reached a deadlock because of financial disagreements. Also, there is a possibility of a fight with WBO champion Billy Joe Saunders (26-0, 12 KOs), who cancelled a title defence fight with Martin Murray on June 23.

## Drugoi Ty (Another You) national sports challenge launched

By Zhanna Shayakhmetova

ASTANA – Drugoi Ty (Another You), Kazakhstan's 21-day national sports challenge, kicked off June 4. The campaign, sponsored by the Samruk Kazyna Trust Social Development Foundation, has the mission to support a healthy lifestyle and promote physical activity.

The event came on the heels of the initiative held May 26 in Daulat Sports Complex in the capital. Four regions took part in the live workout and the remaining 10 regions performed exercises on the ground.

In a video message, Kazakh President Nursultan Nazarbayev motivated citizens to stay active and join the national movement.

"Sports and physical education is a guarantee of a healthy lifestyle. A healthy person can achieve success and be happy. Happiness is not about wealth and money, it is about health," he said.

Minister of Culture and Sport

Arystanbek Mukhamediyuliy encouraged people to support the President's initiative and join the challenge.

"The head of state is a great example for us. Nursultan Nazarbayev has called on us to exercise. In the state-of-the-nation address, the task was set to attract 30 percent of the population to physical culture and sport by 2020. As a result, more than five million people are engaged in physical training and sports, which is 28.7 percent of the country's population. This figure increased by 1.3 percent compared with 2016. We must not stop at what has been achieved. I urge everyone to do sports and make physical activity a part of your life," he said.

The project has no commercial objectives, according to the organisers.

"The challenge aims to bring individuals back to their natural state of constant movement, which is the source of life. We are challenging famous people to support the

21-day sports initiative in social networks," said Valikhhan Ten during the May 28 press conference at the Central Communications Service.

"This campaign is the beginning of global changes in the way of life of the whole country. As a result, an increase in the number of people engaged in physical culture and sports is expected this year. The indicator will rise up to 300,000 people compared to 2017," said Samruk Kazyna Trust Social Development Foundation representative Lima Dias.

The requirements are simple. Participants must subscribe to the project on Instagram, Facebook and VKontakte and post a message to go through 21 days of training. Individuals should do a 30-minute workout every day from June 4-25 and post pictures and videos, including location, on social networks with the hashtags #Другойты, #Сеніңжанақырын or #differentyou. Inviting friends and motivating them with one's actions are welcomed.

The contest committee will identify 16 winners across Kazakhstan who will be invited to the open-air event scheduled for July 6.

The project also focuses on children with special needs. Three trainings are planned in Almaty.

"It takes 21 days to form a new habit. We should challenge our-

selves to go in for sports to make it a part of our lives in 21 days...

Athletes, public figures and politicians have already joined our team," said Dias.



WEDNESDAY, JUNE 13, 2018

# Astana Mayor announces capital improvements: separate waste collection, new schools, sport centres

By Zhanna Shayakhmetova

ASTANA – A waste-processing plant using French technology will be launched in 2019 through a public-private partnership, part of Astana's major push toward establishing a comprehensive separate waste collection system, Akim (Mayor) of Astana Asset Issekeshev told a May 31 press conference on coming improvements to the capital.

"The plant was presented at EXPO 2017," he said. "This project can be considered a legacy of the exhibition. The enterprise will process completely organic waste; produce biogas and a range of fertilisers; and recycle plastic, wood and paper. We will ensure 70 per cent of recycling. This is a good indicator for European countries. By the end of 2019, we will introduce the European Union's approach to waste management. At present, a private investor has launched a plastic and wood processing workshop with 30 refuse-collecting trucks and more than 2,000 containers," he said.



The master plan of the Botanical Garden.

The waste will be divided into two categories: organic rubbish and metal, wood, paper, plastic, clothing composites. Containers

for the different types of waste will be set in all yards in the near future.

The number of schoolchildren in

the capital has doubled over seven years, reaching 143,000 children, the mayor noted.

"We have developed a special

programme that includes the construction of schools. In the next three years, it is planned to build 27 schools and 10 outbuildings to ensure an increase in the influx of children," he said.

Nine kindergartens for a total cost of more than 5 billion tenge (US\$15 million) are being built in cooperation with private investors. The city's 27 new schools will be opened in the next three years as part of the Ruhani Janghyru programme.

"We now have 188 private kindergartens, almost twice as many as there are public ones, which cover almost 80 per cent of preschool children. We have 47 schools with robotics rooms. By the end of the year, we will equip all the schools. The Cisco Academy is open to train 100 information technology specialists in schools annually," he noted.

This year, Astana Daryny, an educational fund supported by a charity patron club, will be launched to support talented graduates. The fund will provide scholarships for studying in local and foreign universities. The Astana Botanical Garden

will also be opened as part of the Tugan Zher ("Homeland") project.

"The historical-cultural reserve of the Bozok settlement will be launched in 2021 to 2022. We pay great attention to this project. Expeditions were initiated for schoolchildren to study the history of their native land. We plan to develop the infrastructure and increase the number of such expeditions," Issekeshev said.

The Ironman 70.3 Triathlon is also coming to Astana, drawing 3,000 athletes from 40 countries to the competition that took place in May. "Currently 288,000 residents are engaged in sports. Our task is to constantly increase this figure. The Triathlon Academy will be constructed at the capital's triathlon park this year."

Overall, eight sports complexes, five medical centres and the first Paralympic training centre in the Commonwealth of Independent States (CIS) are expected to be erected in the capital. The mayor also promised road repairs, new parks and bus stops, and new gasification technology in the near future.

# City to add more parks, bike lanes and athletic fields

By Meruyert Abugaliyeva

ASTANA – The city akimat (administration) is responding to resident requests for increased landscaping, public infrastructure and recreational facilities with plans to build additional thematic parks and squares.

"It is of particular importance for us to build parks and squares

on the right bank of the city. We did not give the land lots to commercial projects after demolishing old buildings, but earmarked them for parks and squares with playgrounds and sports facilities as citizens have asked us to. This year, 13 squares and boulevards will be constructed and five more will be built next year. I am convinced that such construction will improve the quality of city infrastructure," said

Akim (Mayor) Asset Issekeshev.

Eighteen parks and squares will be equipped with 85 attractions, 115 pieces of sports equipment, 18 football and basketball fields, tennis courts, 17 kilometres of bicycle lanes, 30 fountains, 12 kilometres of jogging lanes and two skateparks.

Each square and boulevard will be dedicated to a specific theme. The square near 5 Birzhan Sal

Street will be named Park of Suitcases as it is located near a railway station, while the park on Pushkin Street will be called The Great Wall of China.

The recreation site at the intersection of Republic and Dukuuly streets will be known as the Square of Astronomy and Cosmonautics. The Square of Stones, resembling a Japanese rock garden, will be on Saryarka Avenue, and Math

Square will have facilities for playing chess.

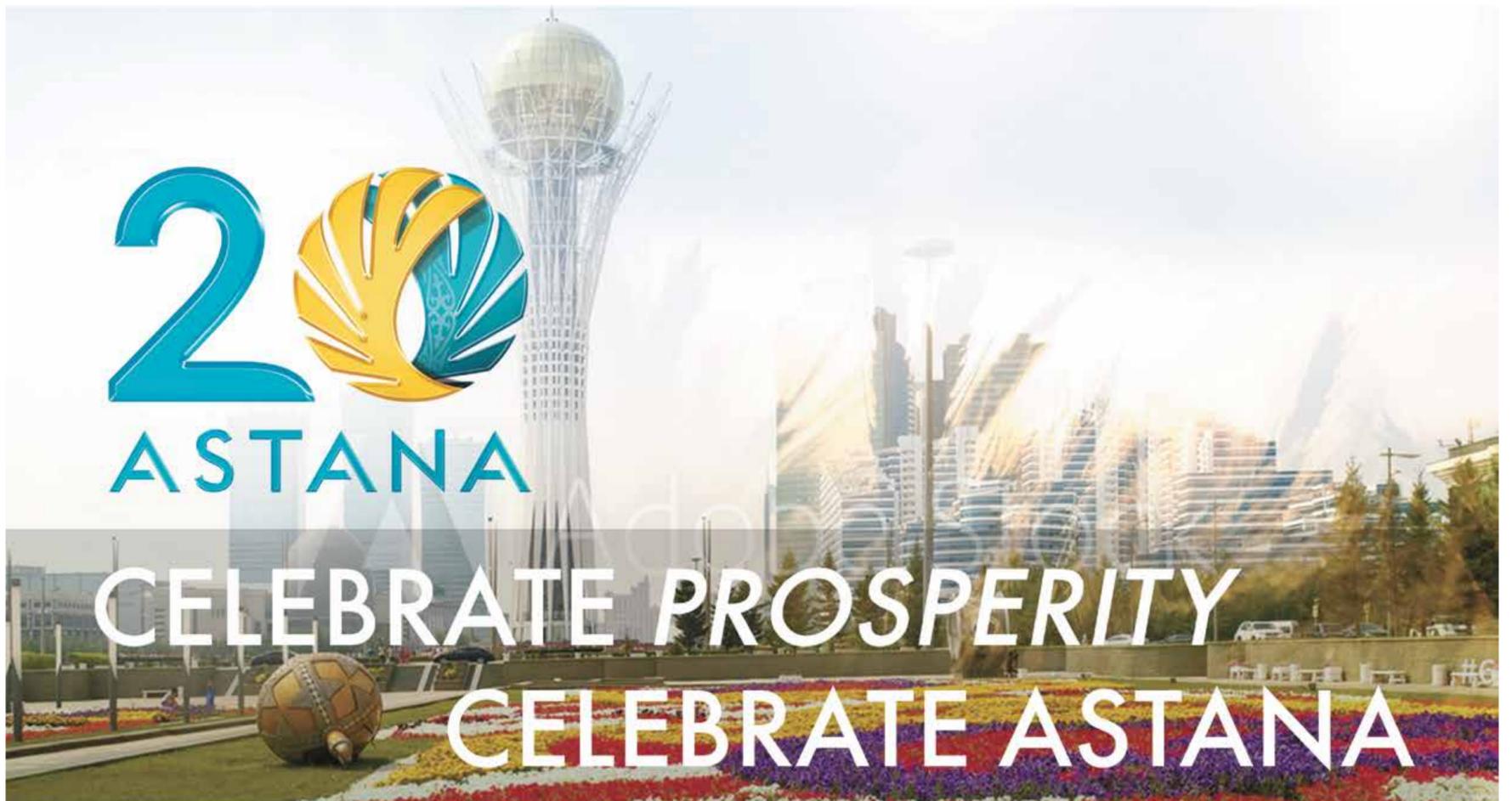
The parks also include Literature Square with bookshelves and benches for readers and Boulevard of Arts on Kenessary Street with a wall for painting. Boulevards will also be constructed along Abai Avenue and Mailin Street.

A botanical garden on the left bank as well as reconstruction works in Arai Park will be complet-

ed this year. The recreation sites will feature outdoor shopping spots.

Plans are underway this season to plant 386,000 trees, 178,000 of which will grow in the new parks and squares. Approximately 312,000 trees were planted in the city last year.

Four more squares and one boulevard will be built in 2019 on Esenberlin, Moldagulova and Zheltoksan streets and Zhenis Avenue.



Twenty years ago, a city of light rose from an empty steppe to become the center of a dynamic new nation. From its towering skyscrapers to its unique Palace of Peace and Harmony pyramid and lively Khan Shatyr, the new capital is fulfilling its promise as a vibrant city and world class economic and political hub.

The population of Astana has more than tripled to reach one million people, industrial production has grown to \$1.7 billion and average monthly salaries have increased by a factor of 21.5 times since the birth of the capital.

#### IN JUST 20 YEARS:

- ▶ INVESTMENTS HAVE INCREASED TO \$3 BILLION.
- ▶ UNEMPLOYMENT HAS DROPPED TO 4.6% FROM 12.6%.
- ▶ FOREIGN TRADE TURNOVER HAS INCREASED 13-FOLD TO \$4.1 BILLION.
- ▶ AND SMALL- TO MEDIUM-SIZED BUSINESSES ARE FLOURISHING WITH A VOLUME OF OUTPUT AT \$13.4 BILLION.

Astana is more than the sum of its parts—it is a symbol of progress, peace and prosperity. A place where people and places will continue to grow and thrive for the next 20 years and beyond.

ASTANA 20  
CAPITAL OF THE GREAT STEPPE

# ASTANA AT 20

WEDNESDAY, JUNE 13, 2018

Developing Astana as innovative hub is natural step, experts believe

C2

International conference addresses smart city initiatives

C3

Astana supports international cooperation, peace, security, experts attest

C4

## Conference praises 20 years of Astana's development, sets new goals



By Meruyert Abugaliyeva

ASTANA – Kazakh and foreign politicians and experts gathered June 5 for Astana: The City of Peace international conference dedicated to the 20th anniversary of the Kazakh capital. The focus of the discussion was past achievements, the role of the city in global diplomacy and opportunities for Astana as a growing centre in the heart of Eurasia.

“Astana is the symbol of Kazakhstan and the flagship of its development. Its success is, first of all, an achievement of the First President, Nursultan Nazarbayev,” said Kazakh Foreign Minister Kairat Abdrakhmanov in his welcoming speech.

Dynamic development of Astana and the vision of the future were mentioned by Astana Mayor

(Akim) Asset Issekeshev in his opening remarks.

“Twenty years is not so much for a city, as well as for Astana. Throughout the years, extensive work was carried out; a city, where a new generation grew up, has been built. Over the period, city population has increased threefold exceeding 1 million and annual volume of investments into the economy grew 44 times. Impressive economic and geographical growth makes Astana a model of modern urbanisation, high living standards and centre of innovations,” he said.

The next task set for Astana, according to the conference attendees, is to develop as a global city and become a key centre of innovation, healthcare, architecture, education, trade not only in Kazakhstan, but for Eurasia.

“The new programme for the

city transformation was developed in line with 17 United Nations (UN) Sustainable Development Goals (SDGs) and Organisation for Economic Cooperation and Development (OECD) standards. To become one of 50 top intellectual modern global cities, Astana will secure its potential as business, cultural and scientific centre of Eurasia, attracting students, researchers, entrepreneurs from all over the region,” added Issekeshev.

The conference included three panels with the first session dedicated to the role of Astana in international dialogue with specific emphasis on major events, including the Organisation for Security and Cooperation in Europe (OSCE) summit in 2010, membership in Organisation of Islamic Cooperation (OIC) and Shanghai Cooperation Organisation (SOC),

EXPO 2017, Astana Process peace talks on Syria.

The concept of a smart city and the role of the Kazakh capital as hub for finance, trade and transportations with particular focus on Astana International Financial Centre (AIFC) were discussed during the next two sessions.

Experts shared their vision of Astana's development and proposed recommendations for Astana to become a smart city comfortable for living, to focus on human capital, tourism and to become the centre of investment, financial services and logistics in the region.

The event ended with the adoption of the conference participants' address, congratulating the people of Kazakhstan on Astana's anniversary and praising its achievements in diplomacy, peacemaking and international development.

## Official discusses capital's 20th anniversary celebrations

By Dana Omirgazy

ASTANA – As Astana approaches its 20th anniversary July 6, Astana Convention Bureau Director Saniyar Aitekenov recently spoke to The Astana Times about events and celebrations related to the anniversary.

“Over the whole year, residents and guests of Astana enjoy an extensive festive programme of 618 events, including both traditional and new concerts, shows, exhibitions and other cultural events. I am sure they will become highlights of the upcoming celebration. A few days ago, a grand open-air concert with the participation of Kazakh and Russian pop stars took place at the square near Kazakh Eli monument,” Aitekenov said.

The Festival of Contemporary Ethno Music, known as the Spirit of Tengri will be July 5-6 on the square at the Baiterek Monument, he said. The Astana Arqau International Festival of Turkic music is scheduled for July 4-6 in the amphitheatre on the embankment of the Yessil River. A gala concert on the square near the Kazakh Eli Monument on July 5 is supposed to be the central event within the celebration of the 20th anniversary of Astana. In total, 61 events will take place during the festive period June 25 to July 6. Detailed information about all festive events is available on the special website [www.astanaday.kz](http://www.astanaday.kz), which is regularly updated.

By tradition, the capital receives gifts on its birthday every year. Cities and regions of Kazakhstan build new facilities, create parks and recreation areas or erect monuments in the main city of the country.

“Astana is a unique city, which is not just a capital in the traditional sense. Astana is the city that unites the whole country and demonstrates the possibilities of Kazakhstan to the world. The 20th anniversary of Astana is a special holiday for all Kazakhstan citizens,” Aitekenov added.

Thus, ten new social facilities, as gifts from regions, will appear in the capital. They are the Astana Peace Wall from the Aktobe region, a kindergarten for 240 students from Almaty, a sports and entertainment park based on the Arai Park from the Almaty region and a bicycle and pedestrian bridge across the Yessil River from the Atyrau region. The East Kazakhstan region will present a light and music fountain in the botanical garden, the Kyzylorda region built a square with an open area and an exposition on the space theme.

A pedestrian boulevard and a monument will appear in the capital from the Karaganda region, a square at the intersection of Zhenis and Bogenbai Batyr Avenue is a gift from the West Kazakhstan region and the House of Friendship will be renovated by the Mangistaу region. The a 56-km bike route from the city park to the Ilyinka suburb will built as a gift from multiple regions.

By the end of the year, Kazakhstan's largest provider of air navigation services KazAeroNavigation and KazMunayGas-Service will complete the construction of a sports centre in the Prigorodny residential area and the Palace of Combat Sports for 5,000 seats, Aitekenov said.

Last year, 5.4 million people visited Astana during EXPO 2017 and many tourists are expected



Saniyar Aitekenov

this year for the 20th anniversary of Astana.

“Astana is the venue for large-scale and popular events, including of a high international level. These are sports, business, and cultural events. For example, this year, Astana held and will host a number of business events: the InterFood Astana 2018 Kazakhstan International Exhibition, the 25th World Mining Congress, the 15th CIS and Baltic States Bond Congress, the International Retail Convention, the SAP Forum, etc. The business events will be attended by delegations from Germany, Italy, the UK, the Commonwealth of Independent States (CIS) countries, the U.S., China, Malaysia, Singapore, Taiwan, South Korea, India, Azerbaijan and Georgia,” Aitekenov told The Astana Times.

To mark the 20th anniversary of Astana, athletes from around the world will participate in the Ironman 70.3 competition June 17. This sport event will be held for the first time in Kazakhstan and the post-Soviet space.

Among the cultural events will be the premiere of the Turandot opera, the joint work of the Astana Opera Theatre and the Beijing National Opera House, as well as the Eurasian Dance Festival with the participation of artists from theatres of Russia, Portugal, Germany, China, Spain and the Netherlands.

Among the cultural events will be the premiere of the Turandot opera, the joint work of the Astana Opera Theatre and the Beijing National Opera House, as well as the Eurasian Dance Festival with the participation of artists from theatres of Russia, Portugal, Germany, China, Spain and the Netherlands.

To boost the attractiveness and recognition of Astana, the Astana Convention Bureau as implemented a multi-level marketing campaign based to boost tourism.

“Given that the internet is the key source of information, we are actively implementing digital technologies, promoting Astana in social networks, using a mobile application and modern methods of tourism marketing, such as inviting well-known video bloggers and creating image-based videos. We have already launched several projects this year and they are operating well,” he added.

## Address of the Participants of “Astana: The City of Peace” Conference

We, the participants of the International Conference Astana: The City of Peace, congratulate President Nursultan Nazarbayev and the people of Kazakhstan on the 20th anniversary of the capital city of Astana.

Over the last 20 years, Astana has become not only a political, economic and cultural centre of the independent Kazakhstan, but also a major centre of diplomacy, peace-making and international development.

It was here in 2010 at the historic summit of the Organisation for Security and Co-operation in Europe that the heads of state and government put forward a vision of “a free, democratic, common and indivisible Euro-Atlantic and Eurasian security community stretching from Vancouver to Vladivostok, rooted in agreed principles, shared commitments and common goals.” We call on all OSCE participating states to work steadfastly to achieve this goal.

The Congresses of Leaders of World and Traditional Religions held in Astana contribute greatly to the promotion of inter-religious and international dialogue for the sake of peace, justice and security in the 21st century. The young capital of Kazakhstan has also hosted summits important for regional security and cooperation, including the Conference on Interaction and Confidence-Building Measures in Asia, the Shanghai Cooperation Organisation, the Commonwealth of Independent States, the Collective Security Treaty Organisation, the Cooperation Council of Turkic Speaking States, as well as the

First Consultative Meeting of the Heads of State of Central Asia. It also hosts large inter-parliamentary forums.

Astana serves as a negotiating platform to end violence in Syria,

Over the last 20 years, Astana has become not only a political, economic and cultural centre of the independent Kazakhstan, but also a major centre of diplomacy, peace-making and international development.

and we hope that international efforts will lead to an early restoration of peace on the Syrian soil.

Astana's peace-building efforts are reflected in the work of the UN Security Council, where Kazakhstan is represented as a non-permanent member.

The number of foreign diplomatic missions and representative offices of international organizations is increasing in the capital every year, which indicates the transformation of Astana into a leading political centre of the region.

The capital of Kazakhstan has become a rostrum from where large-scale initiatives of economic

cooperation, such as the Silk Road Economic Belt, are announced. The treaty establishing the Eurasian Economic Union was also signed here. Astana hosted the first Summit of the Organisation of Islamic Cooperation on Science and Technology and adopted a forward-looking document – Astana Declaration on Science, Technology, Innovation and Modernization in the Islamic World.

On June 28-30, 2011, Astana hosted the 38th session of the Council of Foreign Ministers of the Organisation of the Islamic Conference. Thus, Kazakhstan took over the chairmanship of respected international organisation. The meeting became a historic milestone as it was decided to rename the Organisation of the Islamic Conference into the Organisation of Islamic Cooperation. In addition, a Special Commission on Human Rights was established and the OIC Plan of Action for Cooperation with Central Asia was adopted for the first time in the history of the organisation.

Furthermore, the Astana Economic Forum, the Eurasian Media Forum and the Astana Club discuss the most important global problems and put forward ideas to address them.

We congratulate the government and people of Kazakhstan on the success of the international specialized exhibition EXPO 2017, which focused the attention of the world community on future of energy and sustainable development. We welcome the creation of the Astana International Financial Centre, the International Centre

for Green Technologies and Investment Projects, and the International Technopark of IT Startups on the territory of the EXPO 2017 infrastructure, and we wish them successful work for the benefit of Kazakhstan, the Central Asia region and the world.

A presentation of the International Atomic Energy Agency Low Enriched Uranium Bank facility took place last year in Astana and Ust-Kamenogorsk. We believe that Kazakhstan, as the country most affected by nuclear tests, and which voluntarily renounced the world's fourth largest nuclear arsenal, makes a worthy contribution to achieving a world free of nuclear weapons.

The consistent policy of President Nursultan Nazarbayev towards confidence building, security and collaboration at the regional and global levels is the basis of these developments. This policy was elaborated in the “The World. The 21st century” Manifesto, which calls for humankind to get rid of the scourge of war forever.

Peaceful dialogue and meaningful talks based on the principles of equal responsibility for peace and security, mutual respect and non-interference in internal affairs should be a key pillar for the resolution of all disputes between states.

We are confident that Astana, as a modern, beautiful and dynamic city in the heart of Eurasia, will continue to play an important role in strengthening international peace, security and prosperity.

Astana, June 5, 2018

# ASTANA AT 20

WEDNESDAY, JUNE 13, 2018

## Developing Astana as innovative hub is natural step, experts believe



Photo credit: Leyla Kabdi



Photo credit: Adilkhan Ilyasov



By Meruyert Abugaliyeva

ASTANA – The capital's potential to become an innovative hub for finance, trade and transportation was discussed by Kazakh and foreign experts during the June 5 Astana: The City of Peace international conference, with particular emphasis on the Astana International Financial Centre (AIFC) and International Centre for Green Technologies and Investment Projects.

"The idea of President Nursultan Nazarbayev to establish AIFC as a regional financial hub was announced in 2015. Amendments to the constitution and special constitutional law were introduced, so that now Astana is the capital of Kazakhstan on the one side and a special legal and regulatory regime on the other side. English common law was introduced in order to bring foreign direct investment to global and regional financial centres, like the leading [centres] in New York City, London, Singapore and Hong Kong, which are also based on common law," said AIFC Governor Kairat Kelimbetov.

AIFC was also established to execute structural and institu-

tional reforms in Kazakhstan, known as 100 Concrete Steps to implement five institutional reforms.

"Out of five, three reforms are very much related to AIFC. For example, the first is the rule of law and within AIFC we have created the AIFC Court, Astana Financial Services Authority (AFSA) and International Arbitration Centre (IAC) to ensure transparency and predictability, which is important for investors," he added.

AIFC formed its stock exchange in partnership with NASDAQ and Shanghai Stock Exchange. The latter is particularly important within the broader Belt and Road Initiative (BRI).

five former Soviet countries, but also the Caucasus and Mongolia. Another dimension is the Eurasian Economic Union and finally, the most promising dimension, the Belt and Road Initiative," said Kelimbetov.

"In the next 20 years, Astana has to be in the camp of global smart cities supporting developments towards a green economy. I think in the next five-seven years Astana will be in the top 20 regional financial centres," he added.

The importance of AIFC and the city's potential were also emphasised by AFSA Board of Directors Chairperson Lady Barbara Judge.

"The establishment of a well

**The establishment of a well governed financial centre is regarded as one of the key conditions to ensure the further economic growth of Kazakhstan and strengthen its economic presence in the Central Asian region.**

"When talking about a regional financial hub, we mean three key dimensions. One of them is Central Asia, which includes not only

governed financial centre is regarded as one of the key conditions to ensure the further economic growth of Kazakhstan and

strengthen its economic presence in the Central Asian region. Our aim is to promote the growth and development of a broad range of financial services in Kazakhstan, particularly in Astana, by attracting global investment and providing services in accordance with world-class best practice. We, and personally I, believe that Astana, which is in the heart of Eurasia and on the Silk Road, has a huge potential to become a financial, trade and transportation hub in the very near future," she said.

The International Centre for Green Technologies and Investment Projects will also play a major role in the capital's development.

"Our main function is to create a green culture, address environmental issues through the development of green technologies in Kazakhstan and later replicate them in Central Asia. The centre also aims to contribute to transforming the energy sector, supporting the transition to green business and finance and applying green technology best practices," said centre head Rapol Zhoshybayev.

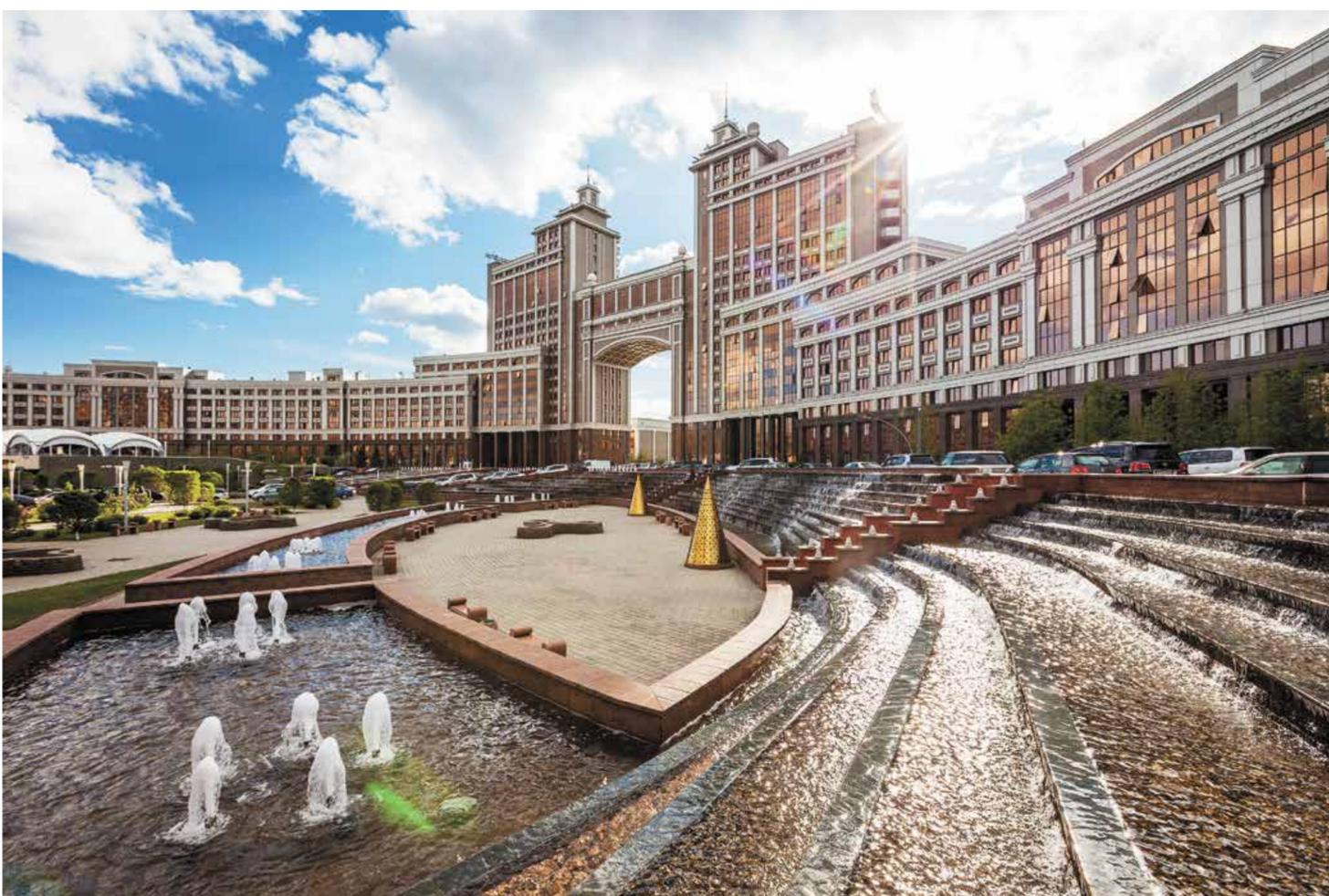
The centre also studies the progress of leading capitals and has signed several agreements to attract technologies with a view towards developing the city.

The capital's strategic role in politics and diplomacy, as well as finance, was evaluated by Chatham House Russia and Eurasia Programme associate fellow Kate Mallinson.

"Astana has seen a golden few years, emerging as a neutral platform for various conflicts including Russia, Turkey and Syria and maintains positive relations with key players including China, Russia, the European Union and the U.S. Astana as an innovative hub is a natural step and plays a key role in transforming this neutral platform into financial, trade and transportation benefits for Kazakhstan as a whole," she said.

Mallinson believes economic and political power is shifting east in the 21st century and Kazakhstan stands to gain from the movement. China's long-term foreign policy will incorporate the main principles of the BRI, with Kazakhstan being "the buckle" in this "belt," she noted.

"Kazakhstan needs to embrace Chinese investment but also challenge the underlying assumption that large-scale investments in infrastructure, such as those at the heart of BRI, automatically promote economic development. The development of Astana as a financial, trade and innovation hub with initiatives such as the AIFC and the Astana International Stock Exchange will assist Kazakhstan in negotiating with China not from the position of a raw material base country, but as an equal partner," she said.



# ASTANA AT 20

WEDNESDAY, JUNE 13, 2018

## International conference addresses smart city initiatives

By Dana Omirgazy

ASTANA – In the past 20 years, the city has become the largest scientific, cultural and business centre in Kazakhstan. To mark the 20th anniversary of the nation’s capital, local officials and foreign guests gathered June 5 for Astana: The City of Peace international conference.

One session focused on the urban area’s smart city initiatives, as well as the experience and development trends of world cities.

“The architecture of the city has already been formed. Now, the city faces the more important task of becoming self-sufficient, including as an economic growth point,” said Astana deputy akim (mayor) Malika Bekturova.

She noted the city’s achievements in its first two decades.

“The gross regional product (GRP) of Astana has exceeded 5 trillion tenge (US\$15.1 billion). This is a 25-fold increase compared to the figures in 1997. This

**The gross regional product (GRP) of Astana has exceeded 5 trillion tenge (US\$15.1 billion). This is a 25-fold increase compared to the figures in 1997. This is significant growth.**

is significant growth. The city has grown both territorially and quantitatively. The city population has grown more than three times, so this has enabled us to see a large influx of investment... The city attracts more and more investments every year. Today, it is the most active city in terms of the growth of small and medium-sized businesses. The city’s contribution to



the development of the country’s economy accounts for 12 percent of the country’s gross domestic product (GDP),” she added.

The capital is setting ambitious tasks to develop as a smart city. The akimat (administration) is studying the experience of comparable capitals.

“All these comparisons give us the idea that we will not be able to provide quality services unless we become a smart city. A couple of projects that we are now implementing are aimed at this task,” she noted.

Warsaw is implementing the smart city concept in urban operations. Deputy mayor Witold Pahl presented its experience in transport and landscaping.

“A smart city is an intellectual city characterised by modern economic and ecological solutions focused on the welfare of citizens. The example of Warsaw shows that this is not a matter of the future. Almost every resident of the city uses this technology every day,” he said.

The Polish capital is distin-

guished by one of the most modern public transport systems used daily by 75 percent of residents who travel by bus, metro, tram, fast city train or bicycle. Public transport offers intelligent, technically advanced solutions, including electronic information boarding, ticket machines and charging points for public vehicle electrical devices.

“Warsaw also appreciates its natural heritage. Approximately 40 percent of the city’s territory is green area. It consists of almost 80 parks, squares, lawns and forests.

Urban greenery is formed for the inhabitants and their needs; therefore, everyone can plant a tree in the city. This is facilitated by special application, where anyone can recommend an area for a new green space to the city administration,” said Pahl.

The Kazakh capital’s administration is creating conditions to accommodate its residents. Plans are underway to install approximately 200 multifunctional warm bus stops, 55 of which will be built at city expense.

Astana LRT is the first and only

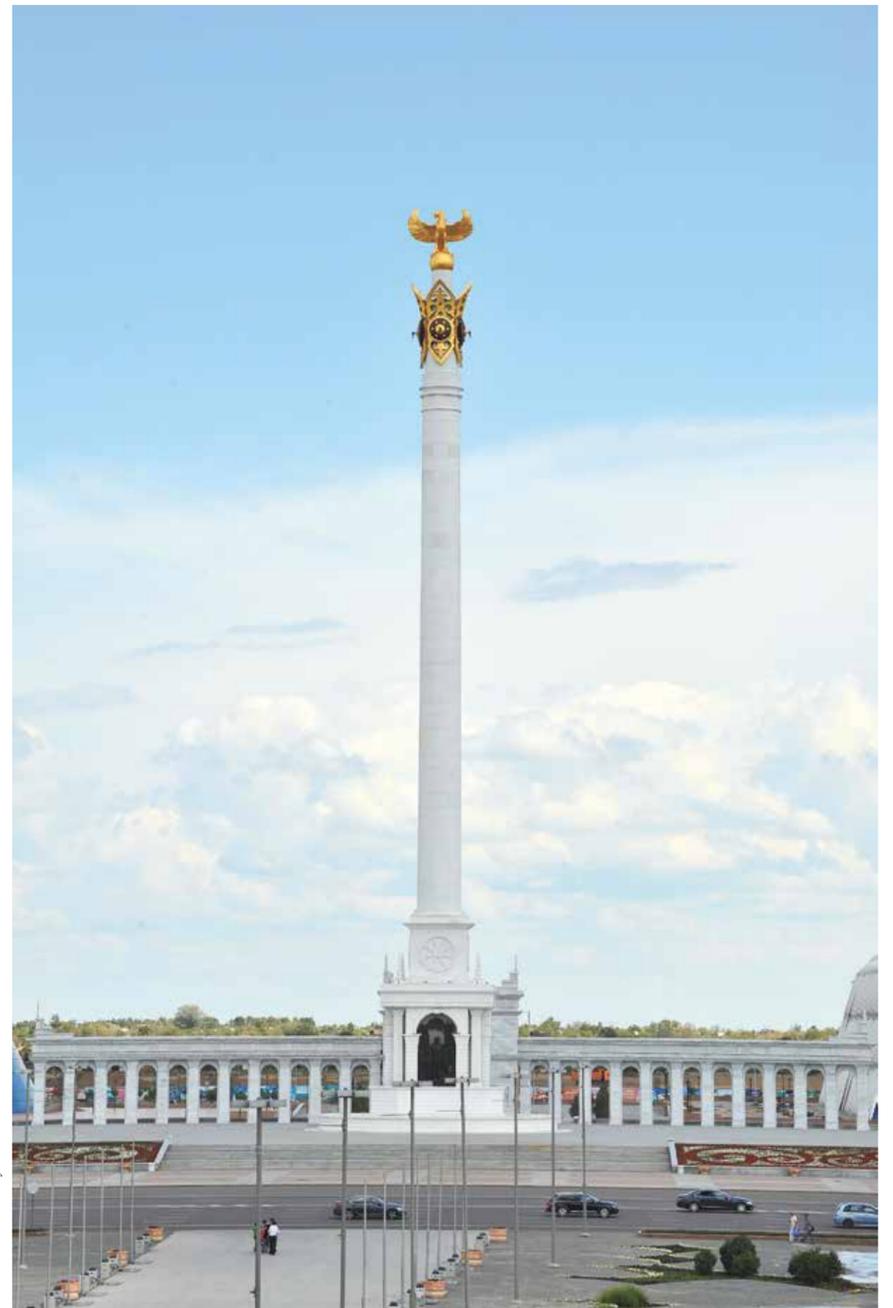
company in Kazakhstan that implements ITS (Information Technology Services) projects to effectively regulate traffic flow using modern technology and automated traffic management systems.

President Nursultan Nazarbayev noted the importance of incorporating smart city innovations.

“The smart city concept will become the locomotive of regional development, the spread of innovation and the improvement of the quality of life throughout the country,” he said on an earlier occasion.



Photo credit: Adilbibi Iyussova



# ASTANA AT 20

WEDNESDAY, JUNE 13, 2018

## Astana supports international cooperation, peace, security, experts attest



By Elya Altynsarina

ASTANA – “Astana is a symbol of modern, prosperous Kazakhstan and the flagship of the whole country, representing first of all a victory by the nation’s President, Nursultan Nazarbayev,” Kazakh Foreign Minister Kairat Abdurakhmanov said to open the June 5 international conference.

Marking the 20th anniversary of the capital city, the conference, titled Astana: City of Peace, not only focused on Astana’s transformation into a major political, economic and cultural centre in the heart of Eurasia, but also convened discussions on ways to make it a smart, connected city and an innovative hub for finance, trade and transportation.

Welcoming event speakers and participants, among them current and former foreign ministers, parliamentarians, senior officials of international organisations and scholars from across the globe who have personally contributed to Astana’s emergence as a centre of international politics, Akim (Mayor) of Astana Asshet Issekeshev briefed them on the city’s achievements.

“In the short span of 20 years, the population of Astana has more than tripled to reach 1 million people, gross regional product increased 190-fold to 5 trillion tenge (\$15.6 billion), and annual investment volume to the city’s economy increased 44 times, reaching 885 billion tenge (\$2.5 billion),” he said.

“Rapid economic and geographic growth makes the city a model of modern urbanisation, high quality of life and a centre for innovations,” he said.

He also mentioned the 2013 Astana speech by Chinese President Xi Jinping in which Xi announced the New Silk Road Economic Belt programme, calling it “very symbolic,” because “further development of transcontinental

transit links belongs among the constant strategic priorities of the capital.”

“Together we executed a huge task: we have built a city and a new generation of Kazakhs grew up there,” he concluded. Now, Astana faces the new ambitious goals of completely adapting to the high standards of world centres of politics and diplomacy.

The first panel discussed the new Enhanced Partnership and Cooperation Agreement between the European Union and Kazakhstan. “Regional ownership is very important to better design the EU’s approach to the region,” said EU Special Representative for Central Asia Peter Burian.

The EU is carefully reviewing suggestions to be more involved in economic cooperation and bring more investment, including new sources of energy, he said. He believes these will be “fully incorporated in our new strategy.”

Burian also welcomed the new atmosphere of cooperation in Central Asia and praised the collaborative approach Kazakhstan has brought to the United Nations Security Council, particularly on Afghanistan. It showed great leadership, he said, to promote “effective multilateralism as the best way to deal with conflicts,” and helped show how Kazakhstan and the EU are building stronger bonds.

“I was here in 2010 as the Foreign Minister of Italy and was very impressed with the substantial goals Astana has set in the Declaration,” began his speech Special Representative of the Organisation for Security and Cooperation in Europe (OSCE) for the Transnistrian Settlement Process Franco Frattini as he commended Astana’s contribution as chair of the body in 2010.

“There are some points that are still alive, and some need to be updated; but Astana Declaration no doubt paved the way for making

tremendously important progress on a global scale,” he said.

To enhance OSCE instruments, the parties should try to mitigate some tensions, Frattini advised, with the biggest being the growing mutual mistrust between Russia and the West.

To build trust, and indeed to solve many issues facing the global community, the world needs united leaders from West and East, from Russia and the US, who will put aside domestic and electoral issues. He praised China’s Belt and Road initiative as a uniting force.

“When trade and commerce go, armies get back,” resumed Frattini encouraging everyone to use the powerful instruments of dialogue, economic cooperation and trade to prevent the escalation of conflicts.

Deputy head of the Centre for OSCE Research Frank Evers noted that in the OSCE and other organisations, Kazakhstan has played the role of explainer of Asian affairs to Europeans, and of European affairs to Asians – part of the conceptual thinking of a country that sees itself joining the 30 most developed countries in coming decades. According to Evers, three key catchwords associated with Kazakhstan’s 2010 OSCE chairmanship, as well as its role in the world are responsibility, openness and setting Central Asian security accents on the European Security agenda.

Head of the German delegation to the OSCE in 2010 Heiner Horsten said that the Astana Commemorative Declaration “stands as a beacon to this day promoting the vision of a Euro-Asian-Atlantic Security Community from Vancouver to Vladivostok rooted in agreed principals, shared commitments and common goals.”

He stressed that for the first time on the highest level, the document acknowledged that “all commitments undertaken in the field of the human dimension are matters of direct and legitimate concern to

all participating states and do not belong to the internal affairs of the states concerned only.”

The world has not become a safer place since then, and “in comparison to the Cold War era a whole new dimension of threats and challenges has emerged in the form of cyber-attacks and with regard to the so-called transnational threats from terrorism to trafficking in drugs and human beings,” continued German diplomat.

“It is important that the policies be re-focused on principles and guidelines that could help participating states overcome the distrust, tension and open conflict.” Director of the Institute for Strategic and Interregional Studies under the President of Uzbekistan Vladimir Norov commended the enhancement of Kazakh-Uzbek relations in light of a new attitude of cooperation in Central Asia.

“In the last two years, the heads

of two states made six mutual visits, met nine times in bilateral and multilateral formats, thanks to which the trade turnover between our countries reached \$2 billion,” he said.

Norov suggested that the successful political and economic development of Kazakhstan and its capital city serve the interests of regional neighbours and all of Eurasia. Senior fellow of the Washington, DC-based Atlantic Council Ariel Cohen said that the unique demography and geography of this country testifies to the role Astana and Kazakhstan must play in Eurasia and the world. Nestled between East and West, it is natural for international cooperation to build in Eurasia.

“Kazakhstan serves as a hub in the Belt and Road initiative that is being increasingly criticised in my country, instead of examining how the US can play a role in the initiative, which, if brought to its logical conclusion, would reformat the Eastern hemisphere and Eurasia as we know it,” he concluded.

Other speakers included Former Vice President of the OSCE Parliamentary Assembly Alain Neri, Executive Director of the Conference on Interaction and Confidence Building Measures in Asia Gong Jianwei, former Secretary-General of the Shanghai Cooperation Organisation Muratbek Imanaliev and ninth Secretary-General of the Organisation of Islamic Cooperation Ekmeleddin İhsanoğlu. Chairman and CEO of Greenstar Global Energy Corporation Ravi Batra presented a congratulatory address from U.S. Representative Elliot Engel on Astana’s anniversary, and President of the International Tax and Investment Centre Daniel Witt presented a congratulatory address on behalf of Mayor of Washington D.C. Muriel Bowser.

### Astana’s first 20 years as the capital of Kazakhstan

INDICATORS	1997	2017	Growth Rates in nominal terms
<b>Population</b> <i>thousand people</i>	300.5	1 029.6	3.4 times
<b>Economically active population</b> <i>thousand people</i>	164.2	521.3	3.2 times
<b>Gross regional product (GRP)</b> <i>billion tenge</i>	25.7	4 865.3 <sup>2</sup>	190 times
<b>GRP per capita</b> <i>thousand tenge</i>	87.5	5 273.3 <sup>2</sup>	60.3 times
<b>Industrial output (works, services) in current prices</b> <i>billion tenge</i>	15.2	549.4	36 times
<b>Investments volume in fixed assets</b> <i>billion tenge</i>	19.3	944.6	49 times
<b>Amount of construction work</b> <i>billion tenge</i>	12.3	608.5	49.5 times
<b>Commissioning of housing</b> <i>thousand square meters</i>	124.4	2 360	19 times
<b>Employment volume of SME</b> <i>thousand people</i>	98.7 <sup>1</sup>	302.9 <sup>2</sup>	3.1 times
<b>SME volume of output</b> <i>billion tenge</i>	177.8 <sup>1</sup>	4 297.8 <sup>2</sup>	24.2 times
<b>Retail sales volume</b> <i>billion tenge</i>	9.4	1 033.4	110 times
<b>Foreign trade turnover</b> <i>million US dollars</i>	324.2	4 172.1	13 times
<b>Average monthly nominal wage</b> <i>thousand tenge</i>	9.9	225	23 times
<b>Unemployment</b> <i>%</i>	12.6	4.6	fell by 2.8 times

1 - 2005 data  
2 - 2016 data

