Appendix -I

Embassy of Kazakhstan in China

Shanghai Cooperation Organization

Shanghai Cooperation Organization was established in Shanghai on June 15, 2001, and comprises six member countries – the Republic of Kazakhstan, the People’s Republic of China, Kyrgyz Republic, the Russian Federation, the Republic of Tadzhikistan, and the Republic of Uzbekistan. Shanghai Cooperation Organization was established out of the member states’ common willing of resolving safety problems and strengthening mutual confidences. The cooperation of SCO was later extended to fields of politics, economics, culture, and humanities. It is also necessary to mention such a subjective factor of SCO, namely the spirit of mutual respect, mutual understanding, high confidence, and reaching a resolution that is acceptable to all parties. Though the decisive factor of unifying the SCO member countries is the exterior menace to the safety and stability of the region, the chief reasons are the existence of terrorism and extremism and the world economic problems brought by the globalization. The second Head meeting of Shanghai Cooperation Organization was held in St. Petersburg on June 7, 2002. The Heads had signed three documents: Charter for Shanghai Cooperation Organization, Agreement of SCO Member States on Regional Anti-Terrorism Structure, Declaration of the Heads of State-member of the Shanghai Cooperation Organization. The establishment of Shanghai Cooperation Organization has marked the establishment of a new sub-regional cooperation system of the six countries. Countries that are willing to observe the principles and obligations of the organization are free to participate in at any time. The characteristic of open of SCO is really of foresight. Another important contributing factor to SCO is the highly mutual confidence between member states and the full cooperation and partnership between Russia and China, which are the two permanent members of the Security Council. The support of Kazakhstan will surely become a footstone of the solidification of the organization.

Bodies of Shanghai Cooperation Organization:
1. Head Meeting;
2. Meeting of the Heads of Governments (Premiers);
3. Meeting of the Ministers of Foreign Affairs;
4. Meeting of the Directors of Ministries and/or Departments;
5. Council of the Nationals Coordinators;
6. Secretariat;
7. Regional Anti-Terrorism Organization

The Declaration of the Heads of Governments

Declaration of the Heads of Government of the member States of the Shanghai Cooperation Organization. The unprecedented terrorist acts carried out in the United States of America on 11 September 2001, resulting in the death of thousands of wholly innocent people, have caused us to feel a profound sense of outrage and anger. We regard these barbaric acts as challenging the essential foundations of human civilization, the stability of society, the security of States and fundamental human rights, including the right to life. We grieve with the American people and express our deep and sincere condolences to the suffering relatives and friends of those who perished as a result of the tragedy. International terrorism has become a serious threat to all humankind. The tragic events in the United States have shown that international terrorism knows neither national nor moral boundaries. This evil can be defeated only by the united efforts of all States. The member States of the Shanghai Cooperation Organization are taking active steps in that direction. Opposition to terrorism, extremism and separatism is one of the most important objectives of our Organization, as evidenced by the adoption of the Shanghai Convention on Combating Terrorism, Separatism and Extremism. Measures are being taken to hasten the establishment of a regional anti-terrorist structure. We are ready to take effective measures, in close cooperation with all States and international organizations, to wage an uncompromising struggle to root out the global threat of terrorism.

First Summit in Shanghai 2001

The heads of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan meet in Shanghai, June 14, 2001. Presidents of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan held the first SCO summit in Shanghai. The six leaders issued a joint statement that announced Uzbekistan’s participation into the “Shanghai Five”, the launch of the SCO and the Shanghai treaty on crackdown on terrorism, separatism and extremism.

Second Summit in St. Petersburg 2002

(L-R) Kazakhstan President Nursultan Abishevic Nazarbayev, Kyrgyzstan President Askar Akayevich Akayev, Chinese President Jiang Zeman, Russia President Vladimir Putin, Tajikistan President Emomali Sharipovich
Rakhmonov, Uzbekistan President Islam Abduganiyevich Karimov pose for a photo during a meeting of the summit of the Shanghai Cooperation Organization in St. Petersburg of Russia, June 7, 2002.

Third Summit in Moscow 2003
The heads of Tajikistan, China, Russia, Kazakhstan, Kyrgyzstan and Uzbekistan (from right to left) pose for a photo in St. Petersburg, May 29, 2003. The third SCO summit was held in Moscow to discuss ways to meet challenges and strengthen cooperation in the region. At the summit, the leaders reached consensus on the institutionalization of the SCO and on some major international issues. A joint declaration was issued after the meeting, in which the leaders vowed to further develop a partnership comprehensively among the six countries to face new threats and challenges and expressed satisfaction over the progress made since the establishment of the SCO. The declaration also recognized the important role of the United Nations in world issues and asked for extensive cooperation across the world in the fight against terrorism, drug and other cross-border crimes.

Fourth Summit in Tashkent 2004
Top leaders of the Shanghai Cooperation Organization (SCO) member states and Afghan President Hamid Karzai (1st R) pose for a group photo in Tashkent, June 17, 2004. From right to left: Afghan President Hamid Karzai, Kyrgyz President Askar Akayev, Chinese President Hu Jintao, Uzbek President Islam Abduganiyevich Karimov, Russian President Vladimir Putin, Kazakh President Nursultan Abishevich Nazarbayev, and Tajik President Emomali Rakhmonov. The fourth summit meeting of the Shanghai Cooperation Organization (SCO) opens in Uzbekistan’s capital Tashkent from June 8 to 18. During the summit, presidents of the six SCO member states, including China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, formally launched the Regional Anti-terrorist Structure of the SCO, and pledged in a joint declaration to cooperate in fighting terrorism and new security threats and in strengthening their economic and trade ties.

Fifth Summit in Astana 2005
Senior officials and representatives of the Shanghai Cooperation Organization (SCO) members take a group photo after the summit meeting July 5, 2005. Leaders of the SCO, which groups China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan, held their fifth summit in Astana, capital of Kazakh, to discuss measures to strengthen unity and further cooperation in economy, security and people-related affairs. The leaders agreed to grant SCO observer status to India, Iran and Pakistan.

At the end of the summit, the heads of state issued a declaration on strengthening cooperation within the organization. At the summit, SCO member states signed agreements on fighting the three “evil forces” of terrorism, separatism and extremism and on mutual help in emergency relief in disasters.

Sixth Summit in Shanghai 2006
Chinese President Hu Jintao (3rd R), Kazakh President Nursultan Nazarbayev (3rd L), Tajik President Emomali Rakhmonov (2nd R), Russian President Vladimir Putin L), Tajik President Emomali Rakhmonov (2nd R), Russian President Vladimir Putin (2nd L), Kyrgyz President Kurmanbek Bakiyev (1st R) and Uzbek President Islam Karimov pose for a group photo ahead of the summit talks of the Shanghai Cooperation Organization (SCO) at Shanghai International Convention Center in Shanghai, east China on June 15, 2006.

Seventh Summit in Bishkek 2007
The seventh meeting among SCO (Shanghai Cooperation Organization) top leaders since its founding in June 2001 was held in Kyrgyz capital Bishkek on Thursday, or August 16. The summit summed up in an all-round way the cooperation among the SCO members in economy, security, cultural activities and other spheres over the past year, made further planning and arrangements for their cooperation in years ahead and scored the positive outcome of satisfaction to all sides; it has once again witnessed to people worldwide the vitality and cohesive power of the SCO. The Bishkek summit has carried out some tentative ideas and proposals raised at the Shanghai summit of 2006, and embodies in a concentrated way new achievements the SCO has made since the Shanghai summit held over a year ago, indicating another firm, substantial step taken by the SCO members in regional cooperation by treating one another as equals and working jointly for still closer cooperation. In the political sphere, a number of important documents have been signed during the current summit, including the Treaty of Long-term Good Neighborliness, Friendship and Cooperation among the Member Nations of the Shanghai Cooperation Organization (SCO) and the Bishkek Declaration. In the form of a treaty, they standardize the mutual relationship among the SCO members and turn the aspirations of China, Russia and Central Asian nations for the friendship to last from generation to generation into a legal principle, so as to pay way for enhancing the good neighborliness and cooperation among the SCO members and building up a harmonious region. Faced with complex regional situation and volatile international environment, the positions and viewpoints of SCO members have become increasingly identical and see pretty much eye to eye. In the economic sphere, related documents signed during the summit are in essence the extension of the relevant accords and decisions signed at the previous summits, particularly during the meeting of prime ministers in Dushanbe, Kazakhstan in September last year. In recent years, SCO has launched several major projects in such fields as transport and electric power and China has put in place 900 million US dollars worth of loans for other SCO members. And China is also prepared to go in for follow-up input, and other
SCO members have gradually become enthusiastic with the SCO economic cooperation. The summit has achieved gratifying results in the way of expanding economic cooperation and increasing direct cooperation between enterprises and regions. In the security sphere, all parties within the SCO have agreed to take practical steps to battle the “three evil forces,” namely, to implement the annual cooperation program to mete out severe blows at the terrorist, separatist and extremist forces, and reached wide consensus on the expansion of security cooperation. "Peace Mission 2007” anti-terror drill, held around the current meeting in the Chebarkul range near Chelyabinsk of Russia, represents the first-ever largest joint an-terrorism participated by forces from all SCO members. The military sector has further witnessed the resolve to safeguard regional stability and the superb coordinating capabilities, and signified that SCO has been turned into a mighty force in the defense of peace in region. For more than a year, SCO has kept enriching, improving and perfecting with multi cooperation pressed ahead in all directions. Meetings of supreme count presidents, and foreign ministers of SCO members have been held and a new mechanism of cooperation in judicature and education set up and started. Regular meetings for culture ministers, attorney generals, security conference secretaries, and defense and foreign ministers, have also been called and, moreover, the work of term-change with regard to the secretariat and anti-terrorist organs for 2007 has been completed and personal arrangements defined. All these ensures various type of work with respect to the SCO to proceed healthily and orderly. The Bishkek Declaration is of great importance with a far-reaching influence on the future development of SCO. A series of documents signed at the summit have presented SCO itself an open, dignified bearing in the international community. Apart from the heads of state of the six SCO member nations, the presidents and foreign ministers of four observer nations, the summit was also attended by Afghan President Hamid Karzai, Turkmen President Gurbanguly Berdymukhamedov and United Nations Under-Secretary-General B. Lynn Pascoe in the status of guests of honor. The first-ever participation by the leader of Turkmenistan, in particular, has enabled the leaders of the five central Asian nations to meet face-to-face in Bishkek, with an implication that SCO can have a bigger role to play in pushing forward regional cooperation in Central Asia and thus upgraded its international prestige in a comprehensive way. Established on June 15, 2001, the SCO groups China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan.

Appendix -II

Embassy of Kazakhstan in China

Relations between China and Kazakhstan

On January 3, 1992, the Republic of Kazakhstan set up diplomatic relations with the People's Republic of China. Since April 2007, Ikram Adyrbekov holds the post of Ambassador of the Republic of Kazakhstan to China. since October 2005, Zhang Xiyun took up the post of Ambassador of the People's Republic of China to Kazakhstan. In addition to the Embassy in Beijing (since December 1992), the Republic of Kazakhstan has set up a consulate general in Hong Kong (since August 2003) and Shanghai (since May 2005), respectively. The Chinese Embassy in Kazakhstan is located in Astana City. Developing good-neighborly relations with China is a top priority in the foreign policy of Kazakhstan.

Over the 15 years of diplomatic relations, China and Kazakhstan have achieved major political results. They comprise China's security guarantee to Kazakhstan (statement of the government of the People's Republic of China on February 8, 1995), final settlement of the border issue (joint communique on November 23, 1999, Kazakhstan-China protocol on demarcation of the line of state border on May 10, 2002, and Agreement between the Republic of Kazakhstan and the People's Republic of China on regime of the state border on December 20, 2006), and the Agreement on cooperation on cross-boundary rivers use and protection on September 12, 2001. When Chinese President Hu Jintao visited Kazakhstan in June 2003, the two countries approved the Kazakhstan-China Cooperation Program (2003-2008), which confirms major orientations of mutual cooperation in the future. In May 2004, the governments of the two countries signed an agreement on establishing the Kazakhstan-China Cooperation Committee, which has become a main mechanism to continuously promote bilateral relations in a systematic way. In July 2005 in Astana City, the Presidents of the two countries signed a joint declaration on establishing and developing strategic partnership relations, which marked the two countries entered a new stage of relations. In December 2006, Kazakh President Nursultan Nazarbayev signed with his Chinese counterpart the Strategy for cooperation in the 21st century and Economic cooperation development concept when paying a state visit to the People's Republic of China. These important program documents point out promising ways for further cooperation between the two parties. On August 17-18, 2007, Chinese President Hu Jintao paid a state visit to the Republic of Kazakhstan. During the visit, President Hu met with Kazakh President Nursultan Nazarbayev, Head of Senate Kassym-Jomart Tokayev, and Kazakhstan's prime minister Karim Massimov. In the talks, President Nursultan Nazarbayev and President Hu Jintao exchanged views on strategic cooperative partnership. To sum up the summit talks, Kazakh and Chinese Presidents signed a joint communique. Foreign ministers of the two countries exchanged notes on opening up the Consulate General of the People's Republic of China in Almaty. During the visit, the two parties also signed the Program of cooperation in the non-raw material economic sectors. The Program stipulates the cooperation development, so as to rationally diversify balance in trade. The two parties signed altogether nine agreements. Today, the two countries keep displaying thriving vitality in mutual relations, on the basis of accumulating cooperation experiences, including political dialogue. Summit and high-level meetings at regular intervals play an important role here. Since 2003, Kazakh and Chinese Presidents met for 12 times under bilateral or multilateral framework. They met 4 times in 2006 alone, which were the Shanghai Cooperation
Organization anniversary summit in Shanghai (June 13-16), CICA Summit (June 17, Almaty) and «G8 Summit» in St. Petersburg (July 17), and Kazakh President's visit to China (December 19-22). They are clear proof of the strategic nature of the bilateral relations. During the visit, the two parties signed 14 documents covering the spheres of borders. During the visit, the two parties signed 14 documents covering the spheres of borders, economy, energy, cross-boundary rivers and education. In 2006, Kazakh foreign minister K-J.Tokayev (April 11-13), Kazakhstan vice prime minister K.Massimov (November 16-17) and Kazakh cabinet ministers relating to bilateral cooperations paid visit to China. Chinese officials visiting Kazakhstan included delegates of the National People's Congress of China, Shanxi Provincial Party Secretary, Xinjiang Party Secretary and Beijing Party Secretary. In January 2006, Chinese Vice President Zeng Qinghong unprecedentedly attended the inauguration ceremony of the President of the Republic of Kazakhstan. On March 17-18, 2007, Kazakh Prime Minister K.Masimov visited the border-crossing “Dostyk-Alashankou” and “Korgas-Khorgos” to acquaint with border customs and frontier inspection performances and infrastructures for goods delivery. On June 5-7, 2007, Kazakh Deputy Prime Minister and Economy & Budget Planning minister A.Musin paid a working visit to China, mainly discussing cooperating with such name brand companies as China National Petroleum Corporation, China Petroleum and Chemical Corporation, CITIC Group in Kazakhstan. Kazakhstan and China continue to cooperate energetically on the world arena, including such international and regional frameworks as UN and Shanghai Cooperation Organization. China supports convening the Conference on Interaction and Confidence-Building Measures in Asia. It cooperates with Kazakhstan in sponsoring the World and Traditional Religion Leaders’ Congresses, with a view to facilitate harmony and civilization dialogue among all religious sects.

The two countries get into line in developing bilateral relations in the framework of China- Kazakhstan Cooperation Committee. Comprising 10 special sub-committees, the Committee also supervises the performance of the cross-river joint committee. At the 3rd meeting of the China-Kazakhstan Cooperation Committee (November 17 2006, Beijing), Kazakh Deputy Prime Minister K.Massimov and Chinese vice-premier Wu Yi summarized the performance of the committee in the past period and settled down cooperation parties for the next year. The two parties continue to set up standards for development and cooperation under the Cross-rivers Joint Committee. In December 2006, Kazakhstan President signed a significant agreement with his Chinese counterpart on the exchange of hydrological and hydrochemical data and launching scientific activity on the cross-border rivers during his visit to China. The two parties cooperate in the security and military fields. In August 2006, the National Security Committee of Kazakhstan and the Public Security Ministry of China carried out an anti-terrorist exercise at the border area. Law enforcement agencies of the two countries continue to work together cracking down on traffic in drugs, weapon and explosive smuggling, organized trans-national crimes. Each year, Kazakhstan sends servicemen for programs in Chinese military academies. The two countries maintain high momentum in economic and trade ties.

In August 2005, Kazakhstan completed negotiation and signed Protocol with China on Kazakhstan's access to the World Trade Organization. According to Chinese data, China invested about US$8 billion in Kazakhstan in recent years of cooperation. Kazakhstan is next only to Russia among East Europe and Central Asia countries in trade volume, or 30th of all China's trade partners. Chinese statistics show that trade between the two countries reached USD$8.3 billion in 2006, up 22% over the previous year (the trade volume stood at USD$7.23 billion in the first seven months of this year, up 63.3% year on year). The Presidents of the two countries set down the objective of expanding the index to USD$15 billion in 2015. Compared with exports (USD$3.6 billion, up 24%), Kazakhstan expanded imports from China (USD$4.7 billion, up 21.9%), which further enlarged trade deficit with China. In 2006, Kazakhstan's trade deficit with China amounted to USD$1.14 billion, up 15% over the previous year. In its export to China, raw materials constitute the bulk of products, with little changes in their varieties. To get over the negative influences of growing trade deficit, Kazakhstan reached an agreement with China in the framework of Economic and Trade Cooperation Sub-Committee. They have set up a package of measures to improve the commodity circulation structure between the two countries. They include sharpening the efforts of Kazakhstan business representatives delegates in China to promote Kazakhstan products on the Chinese market, so as to create favorable conditions to boost exports of Kazakh traditional commodities and new products. In addition, they study issues showing great diversity in customs statistics in both countries (according to Kazakhstan data, the trade volume between the two countries was USD$5.51 billion in 2006, which was separated into USD$3.59 billion for export and USD$1.92 for import). The two countries give priority to alter the trend that Kazakhstan is inclined to export mostly raw materials to China, expand mutual cooperation in non-material sectors, and set up joint ventures utilizing high technologies. So far, Kazakhstan is tapping the potentials of cooperating with Chinese companies in petrochemical industry, machine building and other non-material economic sectors. Kazakhstan and China go on with developing the “Korgas” international border cooperation center, which is expected to become a cornerstone for regional economic and trade cooperation and setting up joint ventures. The two parties keep developing cooperation in the energy sector. Energy cooperation is of strategic significance in cooperation between the two countries. In December 2005, the “Atasu-Alashankou” oil pipeline was put into use, showing bright prospects of exporting Kazakhstan oil to burgeoning markets. It also makes it possible to better use the transit potentials. When Kazakhstan President visited China in December 2006, the two countries reached an agreement on main principles directing the construction of the second...
stage of China-Kazakhstan oil pipeline “Kenkiyah-Kumkol”. They also discussed constructing natural gas pipeline between the two countries. Cooperation in the transportation field is another priority. In 2006, freighters delivered over the “Dostyk-Alashankou” railway station increased 19% to reach 13.1 million tons. The two countries have also reached primary concensus on regulating vehicle transportation. In September 2006, the two countries opened up 22 international passenger and freight transportation lines. Chinese tourists and entrepreneurs visiting Kazakhstan are increasing steadily. At present, related bodies of the two countries are studying the feasibility of opening more flight routers and air corridors, which is expected to expand the transit capacity of the country and facilitating further development of the economic and trade relations and the tourism industry. On the whole, China and Kazakhstan are proceeding successfully with all-round and win-win cooperation. They have elevated bilateral relations to the strategic partnership level. They have signed up the China-Kazakhstan cooperation strategy agreement in the 21st century thus, creating more opportunities to deepen bilateral relations in all aspects.

Appendix -III

EMBASSY OF Kazakhstan TO CHINA -- BILATERAL RELATIONSHIP

On January 3, 1992, the Republic of Kazakhstan set up diplomatic relations with the People's Republic of China. Since April 2007, Ikram Adyrbekov holds the post of Ambassador of the Republic of Kazakhstan to China. Since October 2005, Zhang Xiyun took up the post of Ambassador of the People's Republic of China to Kazakhstan. In addition to the Embassy in Beijing (since December 1992), the Republic of Kazakhstan has set up a consulate general in Hong Kong (since August 2003) and Shanghai (since May 2005), respectively. The Chinese Embassy in Kazakhstan is located in Astana City. Developing good-neighborly relations with China is a top priority in the foreign policy of Kazakhstan. Over the 15 years of diplomatic relations, China and Kazakhstan have achieved major political results. They comprise China's security guarantee to Kazakhstan (statement of the government of the People's Republic of China on February 8, 1995), final settlement of the border issue (joint communique on November 23, 1999, Kazakhstan-China protocol on demarcation of the line of state border on May 10, 2002, and Agreement between the Republic of Kazakhstan and the People's Republic of China on regime of the state border on December 20, 2006), and the Agreement on cooperation on cross-boundary rivers use and protection on September 12, 2001. When Chinese President Hu Jintao visited Kazakhstan in June 2003, the two countries approved the Kazakhstan-China Cooperation Program (2003-2008), which confirms major orientations of mutual cooperation in the future. In May 2004, the governments of the two countries signed an agreement on establishing the Kazakhstan-China Cooperation Committee, which has become a main mechanism to continuously promote bilateral relations in a systematic way. In July 2005 in Astana City, the Presidents of the two countries signed a joint declaration on establishing and developing strategic partnership relations, which marked the two countries entered a new stage of relations. In December 2006, Kazakh President Nursultan Nazarbayev signed with his Chinese counterpart the Strategy for cooperation in the 21st century and Economic cooperation development concept when paying a state visit to the People's Republic of China. These important program documents point out promising ways for further cooperation between the two parties. On August 17-18, 2007, Chinese President Hu Jintao paid a state visit to the Republic of Kazakhstan. During the visit, President Hu met with Kazakh President Nursultan Nazarbayev, Head of Senate Kassym-Jomart Tokayev, and Kazakhstan's prime minister Karim Massimov. In the talks, President Nursultan Nazarbayev and President Hu Jintao exchanged views on strategic cooperative partnership. To sum up the summit talks, Kazakh and Chinese Presidents signed a joint communique. Foreign ministers of the two countries exchanged notes on opening up the Consulate General of the People's Republic of China in Almaty. During the visit, the two parties also signed the Program of cooperation in the nonraw material economic sectors. The Program stipulates the cooperation development, so as to rationally diversify balance in trade. The two parties signed altogether nine agreements. Today, the two countries keep displaying thriving vitality in mutual relations, on the basis of accumulating cooperation experiences, including political dialogue. Summit and high-level meetings at regular intervals play an important role here. Since 2003, Kazakh and Chinese Presidents met for 12 times under bilateral or multilateral framework. They met 4 times in 2006 alone, which were the Shanghai Cooperation Organization anniversary summit in Shanghai （June 13-16）, CICA Summit (June 17, Almaty) and »G8 Summit« in St.Peterburg （July 17）, and Kazakh President's visit to China （December 19-22）. They are clear proof of the strategic nature of the bilateral relations. During the visit, the two parties signed 14 documents covering the spheres of borders, economy, energy, cross-boundary rivers and education. In 2006, Kazakh foreign minister K-J.Tokayev （April 11-13）, Kazakhstan vice prime minister K.Massimov （November 16-17） and Kazakh cabinet ministers relating to bilateral cooperations paid visit to China. Chinese officials visiting Kazakhstan included delegates of the National People's Congress of China, Shanxi Provincial Party Secretary, Xinjiang Party Secretary and Beijing Party Secretary. In January 2006, Chinese Vice President Zeng Qinghong unprecedentedly attended the inauguration ceremony of the President of the Republic of Kazakhstan. On March 17-18, 2007, Kazakh Prime Minister K.Masimov visited the bordercrossing “Dostyk-Alashankou” and “Korgas-Khorgos” to acquaint with border customs and frontier inspection performances and infrastructures for goods delivery. On June 5-7, 2007, Kazakh Deputy Prime Minister and Economy & Budget Planning minister A.Musin paid a working visit to
China, mainly discussing cooperating with such name brand companies as China National Petroleum Corporation, China Petroleum and Chemical Corporation, CITIC Group in Kazakhstan. Kazakhstan and China continue to cooperate energetically on the world arena, including such international and regional frameworks as UN and Shanghai Cooperation Organization. China supports convening the Conference on Interaction and Confidence-Building Measures in Asia. It cooperates with Kazakhstan in sponsoring the World and Traditional Religion Leaders’ Congresses, with a view to facilitate harmony and civilization dialogue among all religious sects. The two countries get into line in developing bilateral relations in the framework of China-Kazakhstan Cooperation Committee. Comprising 10 special sub-committees, the Committee also supervises the performance of the cross-river joint committee. At the 3rd meeting of the China-Kazakhstan Cooperation Committee (November 17 2006, Beijing), Kazakh Deputy Prime Minister K. Massimov and Chinese vicepremier Wu Yi summarized the performance of the committee in the past period and settled down cooperation parties for the next year. The two parties continue to set up standards for development and cooperation under the Cross-rivers Joint Committee. In December 2006, Kazakhstan President signed a significant agreement with his Chinese counterpart on the exchange of hydrological and hydrochemical data and launching scientific activity on the crossborder rivers during his visit to China. The two parties cooperate in the security and military fields. In August 2006, the National Security Committee of Kazakhstan and the Public Security Ministry of China carried out an anti-terrorist exercise at the border area. Law enforcement agencies of the two countries continue to work together cracking down on traffic in drugs, weapon and explosive smuggling, organized trans-national crimes. Each year, Kazakhstan sends servicemen for programs in Chinese military academies. The two countries maintain high momentum in economic and trade ties. In August 2005, Kazakhstan completed negotiation and signed Protocol with China on Kazakhstan's access to the World Trade Organization. According to Chinese data, China invested about US$8 billion in Kazakhstan in recent years of cooperation. Kazakhstan is next only to Russia among East Europe and Central Asia countries in trade volume, or 30th of all China's trade partners. Chinese statistics show that trade between the two countries reached US$8.3 billion in 2006, up 22% over the previous year (the trade volume stood at US$7.23 billion in the first seven months of this year, up 63.3% year on year). The Presidents of the two countries set down the objective of exp
Appendix -IV

РЕСПУБЛИКА КАЗАХСТАН
REPUBLIC OF KAZAKHSTAN

Основные макроэкономические показатели Республики Казахстан (в % к предыдущему году)

Main Macroeconomic Indicators of Republic of Kazakhstan (as % of the previous year)

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<td>101.7</td>
<td>98.1</td>
<td>102.7</td>
<td>109.8</td>
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<td>108.9</td>
<td>103.3</td>
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<td>104</td>
<td>96</td>
<td>103</td>
<td>116</td>
<td>114</td>
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<td>102</td>
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<td>Agricultural production</td>
<td>76</td>
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<td>96</td>
<td>117</td>
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<td>Retail trade turnover</td>
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<td>115.7</td>
<td>108.2</td>
<td>108.6</td>
<td>118.2</td>
<td>113.5</td>
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<td>103.1</td>
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<td>Industrial producers price index</td>
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Основные макроэкономические показатели Республики Казахстан в 2011 г. (в % к соответствующему периоду предыдущего года)

Main Macroeconomic Indicators of Republic of Kazakhstan in 2011 (as % of the corresponding period of the previous year)
Address by the President of the Republic of Kazakhstan, February 2008
H.E. Mr. Nursultan Nazarbayev

Address by the President of the Republic of Kazakhstan
H.E. Mr. Nursultan Nazarbayev
to the people of Kazakhstan
Growth of Welfare of Kazakhstan’s Citizens is the Primary Goal of State Policy

Dear people of Kazakhstan!

My annual addresses to the people of Kazakhstan are always aimed at an analysis of our past accomplishments and future challenges, and, most importantly, at our joint search for the best way to achieve our great common goal. In my 2006 and 2007 addresses to the nation I not only addressed today’s challenges, but also spoke about the future of our development. We should continue our strategic focus on Kazakhstan’s industrialization, on our joining the community of the world’s 50 most competitive nations and on forming a select group of 30 corporate leaders to advise on these goals. This year I ask that the Government present a detailed report on the implementation of these initiatives. Last year we took a further step toward the comprehensive economic, social and political modernization of Kazakhstan.

Kazakhstan entered 2008 with new economic achievements and a significantly modernized political structure. New amendments to the Constitution enhanced the role of the Parliament and political parties, the institutions of
civil society.

For the first time in the history of independent Kazakhstan, parliamentary elections on a proportional basis were held. Nur-Otan won a landslide victory, which for the first time allowed the party to appoint the Government. Administrative reforms underway for some time have been enhanced by the introduction of executive secretariats at Government Ministries. This allows us to assure the stability of the Ministries’ valuable human resources. Last year the economy grew by 8.5 per cent. Since 2001, the economy has been growing at an average annual rate of 10 per cent, which is quite significant. We have been able to accumulate a considerable national reserve amounting to 40 billion US dollars, including assets of the National Fund. This significant sum played a special role in maintaining the stability of the nation’s financial system. The social climate is also stable and favorable. Since 2000, budgetary allocations for education, health care and social security have grown more than five fold. More than five million people are covered by the government’s social security programs, twice as many as five years ago. We are continuously increasing the amount of assistance provided to our senior citizens. The total amount of pension savings is growing steadily and has exceeded 1.1 trillion tenge. Social infrastructure is being strengthened. 76 schools and 23 medical facilities were built throughout the Republic in 2007 alone. We have managed to reverse the negative demographic trends in the country. In three years, within the framework of the state guaranteed housing program, we have constructed more than 18 million square meters of housing. This exceeds what we had planned by 2.2 million square meters. All these dynamic social improvements are a bright illustration of the progress of our economy, the constructiveness of our social policy and the stability of our political system.

Esteemed deputies, attendees, and guests Nowadays, given the global market slowdown, we have to engage domestic investment resources, combined with the growing role of State-owned holding companies, development institutions, and social-cum-entrepreneurial corporations.

Notwithstanding the difficulties that have emerged, the Government has acted on my instruction to take measures toward sustainable economic growth. We must focus on addressing short-term and medium-term objectives in the following priority areas. First – the extractive sector. The key vector of the oil and gas industry involves bolstering the Government's position as an influential and responsible player in the international oil and energy markets. To that end, we have been consistently enhancing government influence in strategic energy sectors. We have already increased Kazakhstan’s share in developing the Kashagan and Kumkol oil fields, the Bogatyr open-cast coal mine, and others. This is hugely important for us, if we are to access international markets for finished products with high added value.

The efforts in these sectors must continue. Samruk Holding Company, as well as regional SECs (Social-cum-
Entreprenurial Corporations) should undertake concrete measures for efficient development and greater competitiveness of the mining and metals sector. To that end, we must sort out the situation around the State-owned share holdings in existing mining and metal companies and transition to appropriate management of such holdings, while assuming the subsoil use rights with regard to explored iron ore and non-ferrous metal deposits, including rare metals. The issue of exploring new deposits is to be addressed jointly with the Government. Second– proactive infrastructure support for key sectors of the economy. The Government must act to develop the power sector and the transportation system. Today, these sectors are clearly failing to keep up with the development of Kazakhstan's economy. Priority tasks to provide power to the economy and the population include construction of the Balkhash Thermal Power Plant, Unit 3 of the Ekibastuz Thermal Power Plant No. 2, the Moinak Hydroelectric Power Station and others. In 2009, construction of the second power transmission line for the North Kazakhstan - South Kazakhstan project, as well as the power transmission line from North Kazakhstan to the Aktyubinsk region must be completed. That will help reduce power shortages in Southern and Western Kazakhstan. In order to reliably provide for gas requirements of the Republic's southern regions, the Beineu-Shymkent main gas pipeline project must be examined, and its construction started. Specific proposals should be made on the construction of a nuclear power plant in Aktua.

At the same time, the Government ought to focus on introducing power-saving and environmentally clean technologies. Our companies and citizens are yet to adopt power saving practices on a daily basis. We must say bluntly that cheap energy is running out. If one wants to pay less, one must save. This must be on everyone's mind. The Government must launch this effort. We have to provide for the construction and modernization of the railway and roadway infrastructure. As early as this year, on a concessional basis, we should complete a railway from Shar to Ust-Kamenogorsk, start 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbaye...
akorda.kz/en/speeches/.../address_by_the_president_of_the_republic_of_kazakhstan 4/15 construction of railways from Mangyshlak to Bautino, from Yeralievo to Kuryk, and the section from Khorgos to Zhetigen, while starting the electrification of the Makat-Kandyagash railway section. This year, in order to reduce rolling stock shortages, we have to draft a package of measures to develop the domestic transportation engineering sector and start implementing such measures. We must commence actual implementation of Kazakhstan's largest transportation project, the transcontinental corridor "Western Europe–Western China", which will pass through our Southern regions and will then go to Russia via Aktobe, creating jobs and reviving the regional economies. In order to reduce fiscal expenditures, the construction and rebuilding of highways, such as Astana–Borovoye, Astana–Karaganda, Almaty–Kapshagai, Almaty–Horgos, as well as the Greater Almaty Ring Road will commence mostly on a concessional basis, with an eventual introduction of tolls. To give concession-based projects a boost and make them more attractive, the Government should improve the existing legislative and regulatory framework. Third. The program of "30 Corporate Leaders": its implementation is helping true development of the noncommodity sectors of our economy. As of now, over 100 projects have emerged with a claim to "breakthrough" status. Projects of vast importance to the economy are underway, such as the construction of the third gas-processing plant in Zhanazhol, mining and enrichment facilities and acopper smelter in the Aktobe region, ongoing construction of an aluminum smelter, as well as a chlorine and caustic facility in the Pavlodar region, establishment of a sectionrolling mill and metallurgical silicon facility in the Karaganda region, and numerous other projects. Construction of the first integrated gas chemical complex in the city of Atyrau is to commence shortly. Next year, construction of a gas-processing plant to be supplied by the Karachaganak field, as well as a new aluminum smelter in the Kostanai region will start as well. We will continue implementing the projects that call for establishing a tire complex in Astana, developing logistics centers in Astana and Almaty, and establishing a polycrystalline silicon manufacturing facility. I have only mentioned the largest facilities. However, over these years, many hundreds and thousands of new enterprises have sprung up in Kazakhstan. Kazakhstan had never had a facility to produce glass, a badly needed material in high demand. Neither has Kazakhstan had an aluminum plant. Currently, five vehicle plants are in operation, including car assembly facilities. Nowadays, radio equipment and computers are assembled in Kazakhstan. The furniture sector, construction industry, and other sectors are surging ahead. In all in all, the Program "30 Corporate Leaders" is expected to take the interaction between the Government and business to a fundamentally new level. The performance of major ministries, the Kazyna Fund and other holdings, as well as local government offices across all levels will be evaluated, first and foremost, in terms of "breakthrough" project implementation.

The contemporary development phase is putting a number of new essential tasks on the agenda of the nation's agroindustrial complex. Over the past five years, Kazakhstan has achieved notable results in developing its agricultural sector. Gross agricultural output has almost doubled since 2002. Investment has more than tripled. This has been made possible thanks to massive government support to the agricultural sector. You are well aware of the three-year support program for rural 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbaye...akorda.kz/en/speeches/.../address_by_the_president_of_the_republic_of_kazakhstan 5/15 communities, which we have now completed. It has provided a powerful impetus. Thanks to modern technologies used in recent years, grain crop harvests have improved dramatically. Mandatory crop insurance, introduced in 2004, has guaranteed that farmers make money even in drought years. These measures have contributed to the near-quadrupling of combined sales in our agriculture, which have exceeded US$4 billion. Improving the quality of life in our villages and rural
communities will remain a government priority. Given the evolving global trends and its existing potential, the agro-industrial complex should develop into a key revenue earner for our economy. Agricultural product prices have been rising; in general, this sector is becoming highly lucrative and we should invest in it. I am sure that rural communities will respond with impressive labor and higher returns. First. The country’s food security must be assured. To that end, it is imperative to attract greater investment in agricultural and food processing. Kazakhstan meets its domestic demand for key staple foods and has export potential. Close attention must be given to providing incentives for production of essential staples that do not yet meet the nation’s demand. Those include, for instance, vegetable oils, fruits, sugar, and others. We are capable of addressing these problems. Second. It is important to focus on those agricultural sectors that export their products. In particular, the channels for grain exports via Caspian and Black Sea ports, as well as exports to China must be expanded. Third. The livestock sector likewise offers a great export potential. In a further step, our veterinary system should transition to international standards. I am instructing the Government to take further measures for systemic support of agriculture across all levels. Special attention must be paid to the processing of raw materials.

Macroeconomic policy priorities. The Government, the National Bank, and the Financial Supervision Agency must establish effective mechanisms for systemic and prompt government responses to any threats of financial instability and must bolster the international markets’ confidence in Kazakhstan’s economy. First. Systemic enhancements are needed in the operations of the Financial Supervision Agency. The primary goal of the Agency, as well as the National Bank and the Ministry of Finance, should be improving the competitiveness and stability of the nation’s financial system, particularly its banking sector. Vagaries of life will 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbayev… akorda.kz/en/speeches/…/address_by_the_president_of_the_republic_of_kazakhstan 6/15 call for adjustments to our plans. We should be ready for that. We must learn the lessons of the U.S. sub-prime loans crisis, which has seriously affected our banks. The Financial Supervision Agency should monitor the situation in each bank more closely and should employ preventive and effective measures, if need be. Government support can not be a one-way street, and the banks should assume their portion of risks. If bank shareholders are unwilling or unable to raise extra resources for the banks’ development, the Government should be ready to take necessary action. Meanwhile, the process of regulatory intervention should be extremely transparent and predictable to the entire banking sector. We view the advent of foreign capital to the banking sector as a vote of confidence in Kazakhstan, as a source of much-needed financial support and of best international practices in the area of banking services. Structural reforms of our financial system must continue. These involve the development of the securities market, advanced financial instruments, improved bankruptcy legislation, and a profound reform of the judiciary. We should develop systemic risk management in private and public sectors alike. The Government, the Fiscal Supervision Agency, and the National Bank ought to construct a flexible and reliable system of risk management. Furthermore, a system of rapid response measures is to be developed for contingencies. The degree of confidence on the part of the general public and the business community, including foreign business, should become a key performance criterion for the nation’s financial authorities. Second. The taxation system must be aligned with the objectives of this new phase in Kazakhstan’s development. The existing Tax Code has played a positive role in supporting economic growth. However, its potential has been largely exhausted by now. The Code includes in excess of 170 exemptions and preferences which continuously proliferate on an ad hoc basis. The Government should draft a new Tax Code designed to promote modernization and diversification of the economy while bringing business in from the shadows. The new Code should have the character of a direct action law that prevents arbitrary interpretation of its rules by tax authorities, while combining high quality tax administration with taxpayer interests.

Most importantly, though, it should provide for a decrease of the total tax burden on non-commodity sectors of the economy, particularly small and medium-sized businesses. The expected shortfall in government revenue should be offset by greater economic returns from the extractive sector. Third. The Agency for Protection of Competition, newly established on my instructions, is to perform a special mission of ensuring our economy’s efficiency and competitiveness. The Agency’s broad powers should guarantee success in fighting collusion on prices, bad faith competition, and certain market players who abuse their dominant or monopoly status, while enhancing the positions of Kazakhstani business globally. A new competition law is needed, to provide serious impetus for the growing entrepreneurial activity in this country. Fourth. We should redouble our anti-inflation efforts. Given rising inflation, which is exacerbated by pressures from global economic developments, the Government should take well-considered and appropriate action. 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbayev… akorda.kz/en/speeches/…/address_by_the_president_of_the_republic_of_kazakhstan 7/15 I expect that the National Bank, too, will achieve substantial results in the fight against inflation. The Government should proactively control the situation in the context of global economic instability. All the necessary resources are in place. Therefore, the Government and the National Bank should have an operations plan of stabilization actions in case the global economy experiences the expected slowdown and the prices of certain exports weaken. First and foremost, until the financial sector’s problems are overcome, the Government should temporarily reduce government expenditure across all areas and programs other than social ones. All of the above-mentioned plans must follow this requirement. Anything that can wait should be suspended. This concerns all regions, too. Such austerity will be instrumental in reducing inflationary pressures while enhancing the nation’s reserves in case energy and commodity prices decline. Esteemed attendees, We shall continue on the path of improving Kazakhstan’s political model and system of
government by combining the generally accepted tenets of democratic development and our society's traditions. First. Over the 16 years of our independence, we have implemented our own model for securing public stability and inter-ethnic accord, molding the Kazakhstani identity and shared Kazakhstani patriotism. This is our Kazakhstani know-how, of which we are justly proud and which we must carefully guard. Within the Constitutional Reform context, the status and power of Kazakhstan’s People's Assembly have increased. As they represent the interests of all people across our multi-ethnic nation, deputies elected by the Assembly are called upon to play a special role in consolidating inter-ethnic peace and accord in Kazakhstan. Currently, the role of this Kazakhstan’s unique institution needs strengthening through all means available. Deputies elected by the Assembly should feel this responsibility and maintain close links with the Assembly and its local organizations. As I have always said and as I would like to reemphasize with full responsibility, Kazakhstan needs long-term stability, peace and accord for further strengthening of the nation and its security, for sustainable economic development and for a better standard of living for our citizens. Second. The development of a modern political system should continue in Kazakhstan. Political parties, nongovernmental organizations, and other public institutions should play the lead role in such process. The strengthening of party mechanisms will promote the establishment of modern civil society and the general public’s broad involvement in social processes. Presently, the model based around Nur Otan as the dominant party may be viewed as the optimal form of political system for Kazakhstan. Thanks to this model, all other political parties are able to run in elections, get elected to the Parliament, and take part in all political developments. There are no obstacles to the emergence of new parties or to expression of one’s own opinion.

7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbayev...
Let me offer an example. According to the latest World Bank report "Doing Business", it takes 89 days to perform all export-related procedures in Kazakhstan, whereas it only takes five days to do the same in Estonia. Various inspections, contemplated by more than 50 laws, have turned into a true calamity for businessmen. Certain agencies use various pretexts to "inspect" a business several times in violation of the law. This seriously distracts enterprises from their business. Furthermore, it runs counter to the policy that I have been pursuing. The number of inspections carried out by law-enforcement authorities and other inspectors should be significantly reduced, and such inspections should be streamlined. Dear Kazakhstansis, Continued improvement of the social well-being of the Kazakhstansis, all elements and social groups of Kazakhstani society have been and will remain at the forefront of government policy. Quality-of-life standards should become an effective market-based tool for human capital development and social modernization of Kazakhstan, without giving rise to free-rider attitudes. The Government's social policy can only be effective if it seeks to create jobs and bring the able-bodied population into the national economy. We have followed this principle until now and we intend to observe it going forward. We have every reason to further improve the living standards of disadvantaged members of the public, in keeping with the election platform of the Nur Otan party, which has a five year horizon. The new three-year budget should provide for: Overall rise of average pensions by the factor of 2.5 between 2007 and 2012, including a 25% rise in 2009, a 25% rise in 2010, and a 30% rise in 2011. Meanwhile, base pension benefits should reach 50% of the subsistence level by 2011; A 9% annual average increase in government social benefits and specialized government benefits starting in 2009; A phased increase of the monthly child care benefit once the child reaches one year of age, to exceed the 2007 benefits by an average factor of 2.5 by 2010-2011; An increase of one-offbenefits for the birth of the 4th child and more, in excess of 4 times the 2007 amount, 7/14/12. Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbaye…
and licensing. In addition, the number of grants allocated to medical universities and the quota for medical training under the Presidential “Bolashak” scholarship should be increased. Fourth, particular attention should be paid to providing our people with medicines. The quality of imported medicines should be thoroughly scrutinized and controlled. And we need to be more active in attracting foreign investments for the construction of national pharmaceutical factories. Fifth, it is particularly important to develop the appropriate infrastructure for the “Healthy Nation” project. We should emphasize and provide every possible opportunity for physical and sports training for our citizens from an early age. Governors should restore existing and build new stadiums, sports facilities and athletic fields for children and adults, thus providing opportunities for exercise for citizens of all ages to get in shape and live longer lives. Ministries and governorates should launch extensive campaigns for a healthy lifestyle. This is an issue of national importance, and the Government should approach it on a larger scale. A package of measures must be devised for a demographic turnaround. This should be the keynote issue for the coming session of the National Council. The nation's health is a national goal. Thedomestic businesscommunity should actively contribute to attaining this objective.

Here, I would like to note with satisfaction that the business community has actively responded to my appeal for greater social responsibility on its part. Last year alone, such entities as Kazakhmys Corporation, the Eurasian Industrial Association, KazZink, Tengizchevroil, Agip, as well as the national companies KazMunaiGaz, Kazatomprom, and Kazakhstan Temir Joly, spent in excess of 30 billion tenge on the development of social facilities, including schools, medical and pre-school institutions, rehabilitation centers, disabled persons' rehabilitation centers, as well as culture and sports faculties. This is avivid example of good corporate citizenship. Such practices should become common, and the media 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbaye… should support them.

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Accessible high-quality housing for our citizens, particularly for new families, is an issue that has always been and still remains among the Government's most vital priorities. It is high time to make the following amendments to the National Housing Program. First. Extension of provisional housing loans at a rate not exceeding 4% per annum to government employees through a building-savings system. Second. We should emphasize construction of rental housing, including for government employees wishing to build their own homes, the Government will set up a private homebuilding infrastructure. SECs should get actively involved in this process under the program. Third. We should legislate to ensure operational transparency of construction companies and greater competition in that sector. Greater protection should be provided to the rights of the individuals who make equity contributions to housing projects. Simplified rules are needed for allocation and documentation of land plots in order to provide incentives to private home construction. Fourth. The introduction of industrial, affordable, and environmentally clean technologies of private home construction should become a priority. The latest international experience should be used. Fifth. Further development of Astana, which, this year, will mark ten years as the nation's capital, is a highly important task. The construction of advanced transport and utilities infrastructure, as well as power sources for the capital city must continue. To secure a reliable power supply for the city, a power complex development program should be implemented along the lines of a public-private partnership, which would include the construction of Thermal Power Plant No. 3. The Government must redouble its efforts at creating a food belt around Astana, in order to saturate the capital's consumer market and stabilize prices. In 2008, the Government and the Astana Governor’s office are to complete the establishment of a health service cluster, making sure that all facilities are commissioned as scheduled by the capital city's 10th anniversary.

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Improvement in the population's well-being should remain a priority for Governors at each and every level. Focused efforts are needed in the following areas. 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008H.E. Mr. Nursultan Nazarbaye… First. Improved fiscal performance. We must cut back on all expenditures unrelated to the population's social wellbeing. At the central level, work is already underway to implement result-oriented budgets. This work must also be expanded to the local level. The public should feel that regional authorities truly care about them. New social facilities, such as medical institutions, schools, and sports facilities should become centers for providing the public with high quality, state-of-the-art and, most importantly, mass-scale services. Second. The Governors must ensure proactive development of infrastructure, in particular, local roads. Third. The practice whereby non-transparent arrangements are used for land allocation must be discontinued. All land must be allocated by way of public auctions. The only exception will apply to special-purpose land plots intended for SEC operations. As seen from audits carried out by the Government, land around Astana and regional capitals have been bought in advance in the name of front companies and individuals. Nowadays, by selling those lands at market prices, certain persons, including quite a few officials, are getting rich at the Government's expense without having invested anything. They should be given the option of voluntarily returning such lands to the Government; otherwise, law-enforcement authorities should investigate whether such actions were lawful and whether such persons are liable. It would be great if the Nur Otan party and its parliamentary faction
undertook to monitor this issue. In general, Nur Otan branches and grassroots organizations, as well as local Maslihat deputyes should become

a serious factor for regional development and economic modernization. They must take an active part in implementing this package of measures and keep a close watch over the tasks enumerated above. Esteemed Members of the Parliament, Ladies and Gentlemen, Since it gained its independence, Kazakhstan has become a full-fledged member of the international community whose initiatives have almost without exception received broad support and have been translated into reality. Intergovernmental entities established at the initiative and with direct involvement of Kazakhstan have demonstrated that there was indeed a need for them. Such intergovernmental entities have laid down the foundation for an effective regional security system and include CICMA, the SCO and CSTO. We must continue to strengthen our economic and political cooperation with Russia, China, and the Central Asian countries. We must create a firm foundation for stability, an open dialogue and interaction in the region.

We are also expanding our constructive interaction with the USA, EU, and NATO with a view to strengthening security in the Central Asian region.

7/14/12 Address by the President of the Republic of Kazakhstan, February 2008

H.E. Mr. Nursultan Nazarbayev…

As of now, this country has reached a qualitatively new level of international recognition as convincingly demonstrated by the decision to grant Kazakhstan the rotating chair at the Organization of Security and Cooperation in Europe in 2010. We are grateful to the members of that organization, especially to the CIS heads of state who have collectively nominated us for that position. In this regard, it is necessary to devise a special program, “Path to Europe.” The program would be intended to promote economic cooperation, bring in technology and management experience, improve our legislation, develop our own agenda and a strategic vision for our chairmanship of the OSCE. On the whole, our foreign policy and security priorities remain unchanged. First, our foreign policy is built on a quest for commonality of fundamental interests, understanding the need for compromise solutions to all, including the most difficult issues. Second, Kazakhstan intends to continue strengthening, in every way, its position as an active member of the international coalition against international terrorism and religious extremism. Third, we will continue the modernization and combat preparation of the Kazakh Army. Over the past few years this nation’s Armed Forces have significantly enhanced their military and technical capabilities. It is necessary to form a professional, military and command corps of the Armed Forces capable of confronting modern security challenges. On the whole, this country’s Armed Forces are being tasked to continue to raise their combat readiness and competitiveness in accordance with the new Military Doctrine. The Government, the State as a whole must provide resolute support to our Armed Forces.

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I would like to specifically note that over the next few years a number of major international events of global importance will be organized. I am referring to the Third Congress of World and Traditional Religions in 2009, the Conference on Confidence and Security Measures in Asia in 2010, work in the OSCE Troika starting in 2009, and chairing the OSCE in 2010. Serious preparatory work, both organizational and substantive, must start now. This is a job for both the Foreign Ministry and the Government and for all government agencies. Dear compatriots! 7/14/12 Address by the President of the Republic of Kazakhstan, February 2008

H.E. Mr. Nursultan Nazarbayev…

Members of Parliament and Government Ministers! As you are well aware, the number of our goals increases from one year to the next. We all work for the sake of strengthening of our country’s independence and the nation’s prosperity and for improving the standard of living of our people. I am confident that we shall justify the people’s trust and reach the goals we have set for ourselves. That’s all that I wanted to tell you today. Thank you for your attention.