



Kazakhstan News Bulletin

Released weekly by the Embassy of the Republic of Kazakhstan to the USA and Canada
www.kazakhembus.com

December 28, 2005

Vol. 5, No. 55

Highlights of 2005 in Kazakhstan

Working for Peace

- Kazakhstan's President Nursultan Nazarbayev and the cochairmen of the Nuclear Threat Initiative (NTI) Ted Turner and former Senator Sam Nunn announced on October 8 the success of a joint NTI-Kazatomprom project to permanently eliminate nuclear fuel containing 6,400 pounds of highly enriched uranium (HEU). This material, if it had fallen into the wrong hands, could have been used to make up to two dozen nuclear bombs. Instead, the material was blended down to safe, non-weapons usable forms of uranium for use in commercial and scientific activities.
- Kazakh army engineers, working in Iraq since 2003, had by the end of 2005 destroyed more than four million pieces of deadly ordnance saving the lives of countless Iraqi civilians and fellow coalition soldiers. In January, the 29 strong force suffered its first casualty when Captain Kairat Kudabayev was killed and four other soldiers wounded in an explosion. Since March 2005, the engineers have also taken on a larger role as instructors for the new Iraqi army, and have already trained dozens of Iraqi soldiers in explosive disposal.
- The city court of Astana recognized "Hizb-ut-Tahrir" as an extremist organization and has banned its activity in Kazakhstan as of March 28. Earlier, Kazakhstan's Supreme Court banned 11 other organizations as terrorist and extremist groups, including Al Qaeda, Islamic Brotherhood, and the Islamic Movement of Uzbekistan.

Politics

- President Nursultan Nazarbayev was reelected in a landslide on December 4 with a strong mandate to pursue his plans of political and economic modernization of Kazakhstan with the goal of bringing it into the ranks of the most developed nations.
- The presidential election campaign for the first time featured five candidates, live TV debates, exit polls, and a choice between paper ballots and e-voting.
- On August 30, Kazakhstan marked the 10th anniversary of its Constitution, which was adopted by a national referendum in 1995 proclaiming the Republic of Kazakhstan a secular unitary state with a Presidential form of government.



Picture of the Year

The nation celebrates President Nursultan Nazarbayev's reelection in December.

- US Secretary of State Condoleezza Rice visited Astana for the first time as a government official in October emphasizing the growing and broadening strategic partnership between the two countries. She met with President Nazarbayev and spoke at the Eurasian National University urging Kazakhstan to lead Central Asia on democratization.
- In November, Kazakhstan ratified both the UN International Covenant on Civil and Political Rights and the UN International Covenant on Economic, Social and Cultural Rights.

Economy

- Real economic growth in Kazakhstan was expected to reach nine percent year on year in 2005 continuing the strong trend of the past six years. Kazakhstan's economy has grown 75 percent in seven years, and the country is on track to doubling its gross domestic product from 2000 by 2008.
- Kazakhstan adopted its 2006 national budget projecting economic growth of 8.3 percent next year. The budget envisions a deficit of 113.8 bln tenge (US\$855 mln), or 1.4 percent of GDP.
- Kazakhstan approved a new law on production sharing agreements for oil projects in the Caspian Sea in May. The new law limits foreign participation to 50% per project. The other 50% would belong to KazMunaiGaz, the Kazakh state oil and natural gas company. The law also requires extensive environmental studies of the new sites.
- Kazakhstan's government plans to start the licensing round for up to 200 new exploration blocks in its part of the Caspian in 2006. Through massive development of the Caspian, Kazakhstan intends to more than double its oil output by 2015 from the current level of 1.3 million barrels a day.
- Kazakhstan held a major trade and investment conference in San Diego, CA, on October 8 and 9 offering new opportunities for doing business in Kazakhstan under the Strategy of Industrial and Innovation Development to companies from the United States, Canada and Europe. US Representative Darrell Issa (R-CA) keynoted the conference.
- Kazakhstan's Minister of Energy and Mineral Resources Vladimir Shkolnik signed a memorandum of understanding with representatives of dozens of energy companies inaugurating Kazakhstan's participation in the Extractive Industries Transparency Initiative (EITI) on October 4.
- In May, Motorola signed a new \$100 million deal with Kar-Tel, one of Kazakhstan's leading cellular phone operators. The five year agreement will require Motorola Inc. based in Schaumburg, IL, to supply a Global System for Mobile (GSM) communications network to KaR-Tel.
- On December 15, Kazakhstan inaugurated a US\$806 million 625 mile oil pipeline from Atasu to Alashankou which will carry 10 million tons (70 million barrels) of oil a year from Kazakhstan to China. Kazakhstan has the largest oil reserves in Central Asia, while China is the second largest importer of oil in the world. The pipeline was built in a year and a half.
- On December 7, Kazakhmys, Kazakhstan's largest private copper producer joined the ranks of London's FTSE 100 favorites, the 100 largest companies with shares traded on its Stock Exchange. The firm's shares were only listed in London in October, when Kazakhmys joined KazakhGold as the second company from Kazakhstan listed. More listings are expected to come in 2006.

Of Interest

- In February, Washingtonians and New Yorkers had a rare opportunity to enjoy Kazakh folk music and world classical music performed by the Kazakh National Kurmangazy Folk Orchestra and the Kazakh State Chamber Orchestra in a first ever American concert featuring music from Kazakhstan, "Melodies and Songs of the Kazakh Steppes." The Kennedy Center and Carnegie Hall concerts drew rave reviews from The Washington Times and The Washington Post, opening a new window on Kazakh culture to Americans who don't see much of it.
- Another window will be opened for Americans in 2006 with the first ever exhibit of ancient art

from Kazakhstan, “Of Gold and Grass: Nomads of Kazakhstan.” The exhibit, opening in September 2006 at the Mingei International Museum of Folk Art in San Diego, CA, will show golden artifacts dating back to the middle of the first millennium BC. More locations in the United States will be announced, and may include Washington, DC, New York City, Tucson, AZ, and Las Vegas.

- In March, Kazakhstan abolished daylight savings time citing lack of economic benefits and health complications coupled with a decrease in productivity. In abolishing daylight savings time, Kazakhstan follows the example of such countries as China, Estonia, and Japan. For people in the US dealing with Kazakhstan, this change means the time difference between Astana and Washington, DC, will be 11 hours except when the US switches to DST when it will be ten.
- Presidents Nursultan Nazarbayev of Kazakhstan and Vladimir Putin of Russia celebrated the golden anniversary of the Baikonur Cosmodrome in south central Kazakhstan in June and opened a new era in their space cooperation as they laid the cornerstone for the future Kazakhstan-Russian space complex which will be known as “Baiterek” and called for the development of space tourism.
- Gregory H. Olsen, co-founder and chairman of the board of Sensors Unlimited, Inc., blasted off to the International Space Station on September 30, from Baikonur, becoming the world’s third space tourist after Dennis Tito and Mark Shuttleworth flew into space in 2001 and 2002.
- In March 2005, Serik Nurgaliyev, a police officer from Astana, won triple gold at the World Police Championship in New Zealand. Nurgaliyev, nicknamed “Iron Serik” back home, won gold medals in power lifting, bench press and arm wrestling.
- Alexandre Vinokourov, Kazakhstan’s strongest cyclist, won the 11th stage of the Tour de France in July. He finished fifth in the Tour and is looking forward to the competition in 2006.
- Almaty, Kazakhstan’s largest city located in the foothills of the Tien Shan mountains, opened a bid for the 2014 Winter Olympic Games in July.
- Elena Milyuk, a 24 year old cadet from Almaty, entered the history books in May becoming the first woman from Kazakhstan to graduate from the U.S. Military Academy at West Point.
- Dmitri Petrukhin, 49, a Kazakh biker from Almaty, brought his message of peace, friendship and support for the victims of the year’s hurricanes, to the United States in September. Petrukhin is on a round the world motorcycle tour and has already visited five of the six inhabited continents.
- Ilya Ilyin, a 17-year old prodigy from Kazakhstan, became the youngest ever world champion in weightlifting during the World Cup in Doha, Qatar in November.
- Kazakhstan’s population grew by 0.5 percent in the first half of 2005, reaching 15,146,800.
- *The Nomads*, an epic movie about the Kazakhs’ brave struggle against foreign invaders in the Middle Ages, premiered in Kazakhstan in July. The US-based Miramax Pictures will distribute the film in English speaking markets around the world.
- Ties between Tucson, AZ, and Almaty, sister cities since 1989, strengthened this year with exchange visits of Kazakh and Navajo artisans sharing their ancient jewelry making techniques as well as with other activities. Kazakh and Navajo cultures are both horse-based.
- The first multistory parking lot opened in downtown Almaty, Kazakhstan’s former capital with the population of 1.5 million people, as local officials extolled the potential of such facilities to help solve the city’s traffic problems.

Say it in Kazakh:

Happy New Year! --- Zhana Zhylynyz Kutty Bolsyn!

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News Bulletin of the Embassy of the Republic of Kazakhstan to the USA and Canada

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