



# Kazakhstan News Bulletin

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*Say it in Kazakh:  
At a camera store:*

*A picture - fotosuret*

*How much is this in U.S. dollars? ---  
Bunun bagasy kansha dollar turady?*

*Do you print pictures? ---  
Siz fotosuret zhasaisyzba?*

*What sizes? --- Kandai kolemdy suretter zhasaisyzdar?*

## **Kazakhstan Moves Ahead with Peaceful Nuclear Energy**

Kazakhstan's Government is moving ahead with plans to develop peaceful nuclear energy to capitalize on the country's huge uranium reserves and expertise.

Prime Minister Daniyal Akhmetov chaired a Cabinet meeting on February 20 to discuss peaceful nuclear energy. He said: "Global trends have made nuclear energy a modern and dynamically developing sector of the economy. Kazakhstan has all the prerequisites for alternative sources of electric energy supply."

Kazakhstan's Ministry of Energy and Mineral Resources was tasked to develop a nuclear energy development program reaching to the year 2030. One of the key items on the agenda will be the construction of Kazakhstan's first commercial nuclear energy power plant.

Uranium mining in Kazakhstan has increased almost five fold since 1997, reaching 4,360 tons in 2005. During Soviet times, Kazakhstan, with 20 percent of the world's uranium ore reserves, produced most of the uranium for the Soviet's nuclear power infrastructure.

Recently, Russia has been promoting the idea of restoring nuclear energy cooperation with Kazakhstan.

## **Government Approves Samruk's Concept**

Kazakhstan's Government approved a concept of the Samruk State Holding Company at a Cabinet meeting on February 21 which will require transferring to it government assets in five key state owned companies.

According to the concept, developed with the help of the U.S.-based McKinsey & Company, Samruk will serve as an active shareholder on behalf of the state in companies such as KazPost, Kazakhstan Temir Zholy (railways), Kazakhtelekom, KazMunaiGas and KEGOC.



**Kazakhstan's Yevgeniy Koreshev (19) scores against Latvia's goaltender Sergejs Naumovs in the third period during a men's ice hockey match at the 2006 Turin Winter Olympic Games in Turin, Italy Tuesday Feb. 21, 2006. Kazakhstan defeated Latvia 5-2.**

**AP Photo.  
See story on page 2**

Kairat Kelimbetov, Kazakhstan's Minister of Economy and Budget Planning, presented the concept at the meeting, saying the key reasoning behind the holding company is to improve asset management and transparency of the companies' budgets. To achieve this goal, the concept envisages setting up a specialized council under the Government to decide on major strategies for the companies, as well as to determine dividends, distribution and reinvestment of the capital.

At the same time, Kelimbetov said Samruk will not be actually running companies: "The holding will not interfere in day-to-day operations of national companies because there is nobody who can run national companies better than their management, and the international experience attests to that."

## **Dozens of Companies Join Transparency Initiative in Kazakhstan**

Kazakhstan's Ministry of Energy and Mineral Resources said 38 companies have now joined the Extractive Industries Transparency Initiative (EITI) in Kazakhstan. An additional 200 plus companies are eligible, but have not yet signed up.

The EITI was first introduced by Britain's Prime Minister Tony Blair in 2002 at the UN Sustainable Development Summit in Johannesburg. EITI's aim is to increase transparency over payments by companies to governments and government linked entities, as well as assuring transparency of revenues by those host country governments. Currently, more than 20 countries participate in the initiative.

Kazakhstan joined EITI in October 2005 when the Government signed a memorandum of understanding with 24 original oil and gas companies and several nongovernmental organizations in Kazakhstan.

Companies involved in oil and gas production, mining and non-ferrous metals extraction in Kazakhstan have now joined the initiative. The list includes KazMunaiGas, Nelson Resources, ExxonMobil, Nations Energy, Kazakhoil Aktobe, Karakudukmunai, JV Arman, Maersk oil, ChevronTexaco, Phillips Petroleum, Inpex North Caspian, B.N. Munai LLP, Total, Shell, BG Karachaganak, KKM, PetroKazakhstan Kumkol Resources, Statoil, CNPC - Aktobemunaigas, Agip KCO, Lukoil Overseas Service Ltd, CNOOC Caspian, Kazakhturkmunai, Kazakhmys, and Kazakhstan Nickel.

At the same time, 212 extractive industries companies operating in Kazakhstan have yet to joined the EITI. The list of those still abstaining from participation includes KazZinc, TMK, UMZ, Oman Oil Company, Charaltyn, Mittal Steel Temirtau, SSGPO, Mangistaumunaigas, Bogatyr Access Komir, Kazakhstan Aluminium, KTK-K, and others.

The EITI is a voluntary initiative, and companies make their own decisions on joining. Kazakhstan's legislation does not allow forcing companies into signing because the country upholds previously signed contracts.

## **Kazakhstan's Ice Hockey Team Beats Latvia, Aids US Advance**

In their final game of the Olympic tournament in Turin, Kazakhstan's men's ice hockey team beat Latvia 5-2 on February 21 assuring Team USA a berth in the quarterfinals.

Earlier, Team Kazakhstan conceded its tight matches with Russia, 1-0, and Slovakia, 2-1, finishing the group games ahead of Latvia with one win and four losses. Because of Kazakhstan's win over Latvia, Team USA was assured of a place in the quarterfinals even though they lost to Russia.

Kazakhstan's forward Evgeniy Koreshkov, who plays for Torpedo Ust Kamenogorsk in Kazakhstan, turned out to be the biggest scorer for the team, netting five goals in five games. Kazakhstan's Nikolai Antropov, playing for the NHL Toronto Maple Leafs, scored once.

Kazakhstan's ice hockey team, composed mostly of Torpedo Ust Kamenogorsk players, will compete next in the Ice Hockey World Championship in Riga, Latvia, in the spring of 2006.

## **Things to Watch:**

- Foreign Minister Kassymzhomart Tokaev will visit China from February 26 through March 1 for talks on international and regional issues and discussions of bilateral cooperation in political, economic and humanitarian spheres. As part of the visit, Tokaev is also scheduled to tour Urumchi, the capital city of China's Xingjian Uighur Autonomous Region, which borders Kazakhstan.
- On February 16, the Majilis agreed to Senate amendments of legislation aimed at strengthening the fight against trafficking in persons, moving the amendments a step closer to passage. Amendments, to be introduced to the Criminal Code, the Criminal Procedural Code and other laws, will more closely define the definition of trafficking in persons and criminalize illegal extraction and trafficking in human organs and tissues.
- On March 1, the Majilis and the Senate of Kazakhstan's Parliament will convene for a joint session.

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