



# Kazakhstan News Bulletin

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### Say it in Kazakh:

At the pharmacy/hospital:  
A doctor – Daryger;  
medicine --- dary

I would like to see a doctor. --- Darygerge kurengym kelip yede.

I have a headache. Can you give me some aspirin? --- Basym auyryptur. Aspirin bere alasyzba?

Do I need a prescription for this medicine? --- Bul darine alu ushin retsept kerekpe?

## **Caspian Border Guards Get New Kazakh Built Cutter**

Kazakhstan's border guards on the Caspian Sea have received a new sophisticated cutter, *Berkut 6*, earlier this month, strengthening their protection capabilities on the sea famous for two of the world's "black gold" staples: oil and caviar.

The cutter, made at the *Zenith* plant in Uralsk in western Kazakhstan, brings to six the number of Kazakh built patrol boats the border guards have used since 1993. Overall the Maritime Border Guards Division deploys almost 20 vessels, including ones supplied by the United States and Turkey.

*Berkut 6* has 42 tons displacement, a stronger engine than her predecessors and is equipped with modern satellite navigation and radar. *Berkut* is a golden eagle of the Kazakh steppes, known for its speed and strength. It is used in hunting for foxes, hares and even wolves.

The border guards hope the new cutter will help them catch domestic and foreign poachers who often use high speed boats to escape with their catch of sturgeon and caviar. Better protection on the sea will also gain significance with the upcoming commercial production at Kashagan, Kazakhstan's huge offshore field, expected to start in 2007-08, as well as the Government's plans to auction off scores of offshore blocks for exploration within the next several years.

Mukhamet Soyunov, Chief of Staff of the Marine Department of Kazakhstan's National Security Committee (KNC), said "this ship can stand up to potential violators of the border which use small fast boats. It has better technical parameters and is faster."

The *Zenith* plant is part of the behemoth *Kazakhstan Engineering* National Company, created in 2003 by joining together defense and defense related enterprises. Kazakhstan ranks 35<sup>th</sup> among the 50 countries which produce and export military equipment. The *Zenith* plant is currently working to build *Snow Leopard*, the first major border guards vessel for the Caspian Sea with 200 tons displacement.

Galym Orazbakov, President of *Kazakhstan Engineering*, said "this is a real embodiment of Kazakhstan's Strategy of Industrial and Innovation Development. We have proven and demonstrated that we can build complex machinery. Our sites are on producing vessels for the oilmen for the time when the North Caspian will be under development." Kazakhstan will present opportunities the SIID offers to U.S. investors at an upcoming investment conference in San Diego, September 8-9, 2005.

## **Dynamic Growing Relationship Sought with U.S.**

President Nursultan Nazarbayev said the partnership between Kazakhstan and the United States will continue to strengthen and called for greater cooperation.

Speaking at a reception launching a three day major investment conference in Almaty on June 14, President Nazarbayev said “the United States is the largest investor in Kazakhstan’s economy, and our energy partnership is active. All of this requires a dynamic economic and political cooperation.”

The President also said Kazakhstan’s negotiations with the United States and the European Union on Kazakhstan’s accession to the World Trade Organizations (WTO) should be completed by the end of this year.

The President said “negotiations on our accession to WTO are proceeding quickly. Kazakhstan’s working group includes 38 member countries of the WTO. Protocols should be signed soon with Oman, Turkey, Japan and Korea. The negotiations with the USA and the EU should conclude before the year’s end.”

He added “almost 90 percent of law in Kazakhstan regulating foreign trade has been brought to compliance with WTO norms or is under review in our Parliament.”

The conference “Kazakhstan Draws a New Wave of Investment: Strategies for Diversification and Sustainable Growth”, is organized by the Government of Kazakhstan, the Asia Society and the Eurasian Media Forum.

More than 600 attendees from Asia, Europe and the Americas are taking part in the conference. It will include addresses by Foreign Minister Kassymzhomart Tokaev, Energy Minister Vladimir Shkolnik, Zharmakhan Tuyakbai, a leader of the opposition bloc *For a Just Kazakhstan*, Asia Society Chairman Ambassador Richard Holbrooke, and George Soros, Founder and Chairman of the Open Society Institute. It also features presentations by Professor Frederick Starr, Chairman of the Central Asia-Caucasus Institute at Johns Hopkins University, Marth Brill Olcott, Senior Fellow at Carnegie Endowment for International Peace as well as other analysts.

The conference closes on June 16.

## **Astana Supports Bolashak with 2.3 Billion Tenge, New Center**

The Government of Kazakhstan has put 2.3 billion tenge to support the expansion of the Bolashak (Future) scholarship program to 3,000 students a year announced by President Nursultan Nazarbayev in February.

Since 1993, Kazakhstan has been sending 100 students abroad annually to receive masters’ and Ph.D. degrees from the best universities in the United States, Britain, France, Germany and other nations. More than 800 Bolashak students have graduated so far and found themselves in great demand in Government and major domestic and foreign companies in Kazakhstan. Some of the former Bolashak students, or *bolashakers*, include the 30-year-old chairman of the national Civil Service Agency as well as a number of deputy ministers.

The 30-fold expansion of the number of students the Government is willing to support also means students can now apply for not only Masters and Ph.D. degrees, but also for the baccalaureate degree.

In April 2005, the Government established the International Programs Center, run by Alzhan Braliyev, a former *bolashaker* with a Masters Degree from Harvard’s John F. Kennedy School of Government, to help guide the expansion of the program.

Mr. Braliev, speaking at a news conference in Astana on June 14, said the Center will work to provide a quality selection of applicants, provide preparatory language training, and assist graduates in finding jobs.

## **Average Kazakh Monthly Salary Grows to US\$240, Highest Wages in Banking, Mining, Telecoms and Hospitality**

The average monthly salary in Kazakhstan reached 30,852 tenge (US\$240) in April 2005 showing a growth of 15 percent compared to the same month a year ago. Growth adjusted for inflation totaled 6.9 %.

The figures reflect a continued strong economic growth in Kazakhstan since 2000 and were disclosed by Kazakhstan's Agency on Statistics on June 14.

Growth was spread through all the major industries, including a 23 percent growth in the utilities sector, to 35,436 tenge a monthly, and 17.7 percent growth in the transportation and communications sectors to 45,716 tenge monthly.

The highest wages went to bank workers who earned an average 75,861 tenge per month, or more than 2.5 times higher than the national average wage. Oilmen and miners followed with 59,521 tenge a month, almost twice the national average. Employees of hotel, restaurant, transportation, and communication companies averaged 45,000-47,000 tenge, 50 percent more than the national average.

Agricultural workers received the lowest average monthly salary at 11,535 tenge (US\$80), or just over a third of the national average. Doctors and medical workers received 15,532 a month, or just over half the national average. Teachers were in the same league with 17,972 tenge a month, or 58.3 percent of the national average.

Mangistau and Atyrau oil producing regions had the highest regional salaries in the 53,000-65,000 tenge, double the national level. The Akmola region around the capital of Astana had the lowest regional salary of 19,561 tenge, or 63.4 percent of the national average.

## **Population Numbers Show Slight Growth**

The population of Kazakhstan reached 15,121,200 on May 1, 2005, according to figures from Kazakhstan's Statistics Agency.

The growth of 0.3 percent since the start of 2005 was mostly accountable to an increase in birth rates. The growth in immigrants was also a factor, as well as a drop in the emigrants. Eleven of the 14 regions of Kazakhstan showed population growth.

The majority of people in Kazakhstan live in urban centers, with just over 40 percent living in the countryside. The highest urban population was in Karaganda oblast (region) with 84%, followed by Mangistau (75.9%) and Pavlodar (65.9%). The highest rural population was in the Almaty region with 70.2% excluding the city of Almaty, North Kazakhstan (65.8%) and South Kazakhstan (59.9%).

## **Kazakh, Russian Experts Work to Develop Tourism at Baikonur**

Kazakh and Russian experts met this week to continue work on creating conditions for the development of tourism at Baikonur Cosmodrome, as provided by the joint statement of the presidents of two counties of June 2.

The two organizations dealing with this issue on both sides are Kazakh Republican State Enterprise "Infrakos" and Russian Federal State Unitary Enterprise "Center for Exploitation of Land-based Space Infrastructure." Experts are working to iron out such issues as access to what essentially is a military facility, provision of tourist services and accompaniment, tariffs, differentiating between categories of tourists as well as attracting investment for the development of tourism infrastructure at Baikonur.

The meeting produced an "experience of cooperation and showed a need for a professional approach to developing space tourism at the space center," officials on both sides said.

## **Kazakhstan Seeks to Double Economy in Eight Years, by 2008**

Nurtai Abykayev, Speaker of Kazakhstan's Senate said Kazakhstan seeks to double its GDP during eight years instead of the originally planned ten years and do that by 2008.

Speaking at the Ninth International Economic Forum in St. Petersburg, Russia, on June 14, Speaker Abykayev said "we can confidently say now that our forecasts in 2000 about doubling GDP in ten years will become a reality in 2008."

Kazakhstan's longer term economic and political development is laid out in the Kazakhstan-2030

program. The program is intended to ensure “accelerated economic liberalization, followed by stage by stage political liberalization,” Abykayev said.

The financial and banking infrastructure of Kazakhstan are growing rapidly, and the country is shifting toward exporting its own capital, “both private and public,” noted the Speaker. He also said the volume of domestic investment exceeded foreign investment, and the growth rates for processing industries were outpacing those of the extracting industries.

Kazakhstan is expanding housing construction and has a number of programs to draw in foreign investment and develop education and science, the Speaker said, confirming earlier reports Kazakhstan will launch its first space satellite within the next half a year.

## **Things to Watch:**

- President Nursultan Nazarbayev and Chinese President Hu Jintao will discuss the issue of building a Trans-Kazakhstan railway line which will connect China’s western regions with the Caspian seashore. President Nazarbayev announced the news at the international business conference in Almaty on June 14.
- The Chinese President, as well as Presidents of Russia, Uzbekistan, Kyrgyzstan and Tajikistan are expected to visit Kazakhstan in early July to participate in the Shanghai Cooperation Organization summit.

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