



Fight against Illicit Drugs is Way to Combat Terrorism, Organized Crime (Kazakh Interior Minister speaks on issue in Vienna, to mass media)

Government, Business Should Keep Balance to Tackle Crisis, Ensure Growth (Astana Economic Forum encourages debate involving economic actors, academia)

Changes Introduced into Classification of Border Motorway Checkpoints (28 out of 42 can be used by cars of any “nationality”, the rest for bilateral traffic)

Kazakhstan, UNICEF, UNFPA in Joint Study of Welfare of Women, Children (Survey of household’s welfare to help achieve Millennium Development Goals)

Fight against Illicit Drugs is Way to Combat Terrorism, Organized Crime



Kazakhstan's Interior Minister, Serik Baymaganbetov, addresses the opening of an OSCE Chairmanship conference on the fight against illegal drugs and drug trafficking, Vienna, 8 July 2010.

Photo by OSCE / Susanna Lööf

Combating illegal drugs and drug trafficking is an essential element of the fight against terrorism and organized crime, Kazakhstan’s Interior Minister Serik Baymaganbetov told participants of an OSCE Chairmanship conference that took place in Vienna on July 8-9.

“Drug trafficking poses a real threat to stability and security and prevents socio-economic and political development in various countries. Drug trafficking has become one of the major sources for terrorist and other transnational criminal activity,” said Baymaganbetov, whose country holds the 2010 OSCE Chairmanship.

“Since the problem of combating drug-related crime has a cross-border nature, it requires co-operative efforts, based on a comprehensive approach and co-ordinated actions by all concerned

states and international organizations.”

The meeting in Vienna provided an opportunity to work on such responses, he said, adding that the drug situation in Central Asia remained tense due to the proximity to Afghanistan. Assisting efforts to rebuild and stabilize the situation in Afghanistan, an OSCE Partner for Co-operation, is one of the Kazakh OSCE Chairmanship’s key priorities. Afghanistan’s Deputy Interior Minister, Gen. Mohammed Daud, took part in the meeting.

The conference was held to raise awareness of the drug trafficking threat among the 56 OSCE participating states and to support efforts to develop effective counter-narcotics strategies.

OSCE Secretary General Marc Perrin de Brichambaut emphasized the need for “consolidated international efforts” to tackle the threats posed by illicit drugs, including international terrorism and corruption.

“At the same time, the threat and its impact is deeply regional and local,” he said. “Local communities are affected, and regional political economies are hit hard. It is vital that we get the balance right between global/international action and regional/local concerns, and never forget the links between the two.”

De Brichambaut said the OSCE's role and mandate in this field was growing following requests expressed by the Organization's participating states.

On July 12, Russia's RIA Novosti news agency published an interview with Minister Baimaganbetov who shared his views on dealing with drug addiction and trafficking in Kazakhstan.

In tackling the subject Kazakhstan faces two major factors, the official said. The first one relates to the expansion of trafficking in Afghan opiates, with up to 15 percent of them crossing the so called "northern corridor" (via Central Asia, Kazakhstan, and Russia on to Europe).

The other concerns the fact that Kazakhstan's territory itself possesses favourable conditions for growing narcotic-containing herbs. "According to the UN Office on Drugs and Crime's research held in 1998-1999, cannabis and ephedra grow on above 1 million hectares in the country's southern areas. The issue is especially problematic in the Shu River valley, where natural plantations of cannabis cover up to 140,000 hectares. Concerning an illegal market of narcotics of other types, it is similar to situation in most other countries, except that there is a relatively small market for synthetic drugs, such as amphetamines," Baimaganbetov said.

The Kazakh police have been putting much effort into fighting the narcotics trafficking and drug addiction. Last year, they registered almost 10,000 narcotic-related crimes and disrupted the activities of 10 organized criminal groups working in the field. The police captured more than 600 kilograms of various narcotics, with special attention to drug-dealers networks.

"The measures taken by Kazakh authorities have allowed constraining the number of drug users at the level of 53-55 thousand individuals (the country's total population is 16.2 million), while diminishing the numbers in some age groups. Talking about the structure of drugs market here, 63 percent of drug addicts rely on opiates, 23 percent use cannabis, and the remaining 14 percent depend on psychotropic and toxic substances," the minister said.

"We are integrated into the international system of fighting narcotics, having ratified all three related UN conventions and are party to more than 50 multilateral and bilateral agreements in the area," he stressed.

In particular, Kazakhstan initiated establishing, in cooperation with the UN, of a Central Asian Regional Information and Coordination Centre (CARICC) for combating the illicit trafficking of narcotic drugs, psychotropic substances and their precursors, based in Almaty. Kazakhstan has donated US\$ 2.7 million toward its activities. "The centre's activities create unique opportunities to use jointly informational resources of our countries, plan operatively and hold special actions to identify and liquidate international channels of drug trafficking and transnational criminal groups," Baimaganbetov concluded.

Government, Business Should Keep Balance to Tackle Crisis, Ensure Growth



Astana Economic Forum 2010 resulted in a wide of range of free-flowing practical discussions involving government, business, and academia

Photo by Astana Economic Forum website

The annual Astana Economic Forum, the third session of which took place in the Kazakh capital on July 1-2, has quickly turned into one of the most anticipated and best attended events for economists and business elite in Eurasia and beyond.

The forum has fostered a free-flowing dialogue involving not only politicians and businessmen but also prominent economists from academia, including several Nobel prize winners.

This year the forum was dedicated to debating international experiences in overcoming the latest global recession and setting the path for sustainable economic growth in a post-crisis period.

Having successfully passed the crisis, Kazakhstan now aims to implement plans for sustainable development. The Kazakh Prime Minister, Karim Massimov, presented the essential parts of such a plan to the forum participants.

Massimov stated that during the crisis his government managed to react quickly and decisively: "We took necessary measures in several areas: stabilizing the banking sector, strengthening the social

protection of vulnerable population, substantial investment in agriculture, infrastructure and construction, as well as providing assistance to small and medium-sized businesses.”

Such anti-crisis measures enabled the infusion of US\$ 19 billion into the Kazakh economy. Subsequently, the economy recorded a positive, albeit modest growth in 2009 of 1.2 percent. Then, in the first half of 2010 this index reached 8%, and unemployment slipped back to a pre-crisis level of 6.1 percent.

The world financial crisis has demonstrated that governments play an important role in addressing the economic crisis, according to Massimov. They should not, however, try to replace private business, which is the driving force for growth and job creation.

In this respect, the Government of Kazakhstan intends to release the "manual" control over the economy as soon as it is possible and focus on sustainable sources of growth.

“The emphasis on sustainable and balanced growth is the main idea of the Government’s agenda in the post-crisis period, and corresponds to the G20 incentives for the new global growth,” the Kazakh Prime Minister stressed. “In this respect, in 2010 Kazakhstan launched the State Programme for Accelerated Industrial and Innovative Development, under which public and private resources are used for diversifying the economy.”

He further explained that one of the main tasks of the Kazakh government is to remove key “growth constraints”. First, the transport infrastructure is improving, which will help reduce production costs, facilitate access for domestic manufacturers to market and fully use the potential of Kazakhstan as a transit hub between Europe and Asia.

The second “constraint” is the relevance of education and skills of existing personnel for the new goals, and that is why more funds are invested into this field. Even in times of crisis the number of educational grants kept increasing. Currently, at the initiative of Kazakh President Nursultan Nazarbayev the so called “intellectual schools” with an emphasis on math and natural sciences are being opened across the country. Recently, the “Nazarbayev University” has been established in Astana that builds ties with top universities of the world in order to make the education system equal to the highest standards in the world. Developing new IT-universities in Almaty and Astana are also a big investment in this regard. In a related news, the World Bank announced last week that it will loan the Government 29 million dollars to finance the 33-million dollar project to improve vocational training. (See Astana Calling, July 9).

Last but not least, health care system presents another limiting factor. The ongoing reforms there are aimed at introducing high-technology services, adequate management, and better access to financing and improved education and research in the sphere of medical science.

“All these efforts provide a good foundation for the next stage of economic development. Kazakhstan responds adequately to the challenges of the global economic crisis and firmly moves forward in achieving a more prosperous future,” Massimov concluded.

Konstantin Huber, the World Bank Executive Director and one of the forum’s delegates, noted that the Government and the National Bank of Kazakhstan took timely measures to maintain liquidity of the second-tier banks, preventing the collapse of the financial system that helped in tackling the protracted recession and rising unemployment.

“The World Bank is optimistic about Kazakhstan’s prospects in the restoration of the status of the rapidly growing economy and achieving the ambitious goals set out in the “Strategy-2020”, Huber added.

This year’s annual economic forum gathered more than 2,500 representatives of political and business circles from more than 70 countries, as well as prominent scholars, nongovernmental sector and the media to discuss the key issues of the global economy.

During the forum, 17 meetings and panel sessions took place, resulting in the signing of Memoranda and Agreements on cooperation, including the Agreement signed by Kazakhstan and the European Investment Bank on financing investment projects in the Central Asian country in the amount of €1.5 billion.

The “Eurasian Economic Club of Scientists Association” (EECSA), the Ministry of Economic Development and Trade of the Republic of Kazakhstan and JSC “Economic Research Institute” organized the Astana Economic Forum in 2010.

The event was supported by the World Bank; the UN Economic Commission for Europe; the Islamic Development Bank; Samruk-Kazyna, Kazakhstan’s sovereign wealth fund; KazMunaiGaz, the

state oil and natural gas company; the National Innovation Fund; and Kazakhstan's Centre for Public-Private Partnerships.

Changes Introduced into Classification of Border Motorway Checkpoints

A governmental decree signed by Prime Minister Karim Massimov on June 28 established a list of 42 motorway checkpoints along state borders with neighbouring countries, categorized as operating for either multilateral or bilateral traffic. The decree comes into effect on July 18.

There will be five checkpoints along Kazakhstan's border with the People's Republic of China that can be crossed by automobiles registered in any country: Khorgos, Dostyk, and Kalzhan in the Almaty region; and Bakhty and Maikapshagay in East Kazakhstan region.

Out of 30 motorway checkpoints along the Kazakhstan-Russia border, the world's longest continuous land border, the following can be used "multilaterally": Kurmangazy in Atyrau region; Tuzkala, Syrym, and Aksay in West Kazakhstan region; Alimbet and Zhaisan in Aktobe region; Kairak and Akbalshyk in Kostanai region; Zhana Zhol, Karakoga, and Kyzyl Zhar in North Kazakhstan region; Urlyutobe, Kosak, and Sharbakty in Pavlodar region; Aul, Ube, and Zhezkent in East Kazakhstan region.

Other motorway checkpoints open for Kazakhstan- and Russia-registered vehicles only include Zhanibek, Orda, and Shagan in the West Kazakhstan region; Karashatau in Aktobe region; Kondybay, Zhelkuar, Ayat, Ubagan in Kostanai region; Bidaik in North Kazakhstan - Bidaik; Amangeldy and Naiza in Pavlodar region; Baytanat and Koyanbay in East Kazakhstan region.

Five motorway checkpoints usable for cars of any "nationality" will operate in the Kazakh-Uzbek section of the state border. These are Tazhen in Mangistau region; Zhibek Zholy, Konysbaev, Kaplanbek, and Kazygurt in South Kazakhstan region. Atameken in the latter region is open by Kazakh and Uzbek vehicles only.

On the state border between Kazakhstan and Turkmenistan vehicles of all nations can cross at the Temirbaba checkpoint in Mangistau region.

Kazakhstan is bordered on the north by Russia, on the south-east by China, on the south by Kyrgyzstan, Uzbekistan and Turkmenistan. Kazakhstan's regional neighbours across the Caspian Sea are Iran and Azerbaijan.



Kazakh government has reviewed the list and classifications of the motorway checkpoints along the country's borders to reflect the existing traffic.

Photo by the Foreign Ministry

Kazakhstan, UNICEF, UNFPA in Joint Study of Welfare of Women, Children



Kazakhstan government is open to collaboration with UN agencies to track down the changes in welfare of families, especially women and children, in order to elaborate the necessary mechanisms and programmes to tackle the problems in the field.

Photo by Dame Gunar

On July 8, Kazakhstan's Statistics Agency, United Nations International Children's Emergency Fund (UNICEF) and United Nations Fund for Population Activities (UNFPA) signed an agreement on conducting the Multiple Indicator Cluster Survey (MICS) in Kazakhstan. The document lays basis for extensive cooperation and partnership between the agencies in surveying the households of the Central Asian state.

The survey will take place from September to December this year, with the preliminary results expected in June 2011. Nearly 16,000 of Kazakhstan's households are to be questioned within the project. A total of 128 field workers will be involved in the activity, including the interviewers themselves.

"The Multiple Indicator Cluster Survey will make it possible to get a number of new indicators

regarding the Kazakh households, including the issues of health, education, children's well-being, and a range of indicators on domestic violence in particular. The majority of data and figures we receive following the MICS' results are impossible to obtain from usual statistics," Chairman of the Kazakh Statistics Agency Alikhan Smailov stressed.

In his words, pursuing the Millennium Development Goals by 2015, Kazakhstan aims to achieve some particular tasks, the results of which can only be traced through the survey. It will address the issues of infant and child mortality rates, nutrition, breastfeeding, immunization, usage of advanced drinking water sources, contraception, reproductive health, domestic violence and others.

"I am delighted to be here in Astana and reassure Mr. Chairman of UNICEF's readiness to provide all necessary technical support for implementing the research in your country," UNICEF Representative Hanaa Singer said after signing the Memorandum.

The project is a part of UNICEF's assistance to countries in collecting and analyzing data in order to fill information gaps for monitoring the situation of children and women through its international household survey initiative, the Multiple Indicator Cluster Surveys.

MICS was originally set of mid-decade goals. The first round of MICS was conducted around 1995 in more than 60 countries of the world.

Since the mid-1990s MICS has enabled many countries to produce statistically sound and internationally comparable estimates of a range of indicators in the areas of health, education, child protection and HIV/AIDS.

MICS findings have been used extensively as a basis for policy decisions and programme interventions, and for the purpose of influencing public opinion on the situation of children and women around the world.

MICS surveys are typically carried out by government organizations, with the support and assistance of UNICEF and other partners. Kazakhstan launches the project within similar bounds, with Kazakhstan's Statistics Agency conducting the survey, while UNFPA will provide financial support and UNICEF will focus on financial and technical backing.

"The financial part of the two-year project accounts for nearly US\$ 770,000. Kazakhstan is to allocate about US\$ 370,000, which is 48% of the initiative's cost. The remaining funds will be provided by UNICEF and UNFPA. In addition, the negotiations on the subject are being held with the World Bank," Smailov noted.

This is the second MICS undertaken to establish current practices and to provide detailed analysis and statistics in the appropriate spheres in Kazakhstan. The pioneer survey took place nearly four years ago. Today's Multiple Indicator Cluster Survey is a unique project as it will be implemented on the sub-national level due to the considerable differences in the social and economic development of the country's regions. This will make it possible to get precise and true information about the state of children and women in all the regions of the country and in its two largest cities, Astana and Almaty.

Also in the News:

- President Nazarbayev took part in an informal CIS summit in Yalta, Ukraine on July 10, along with the host, Viktor Yanukovich of Ukraine, and Dmitry Medvedev of Russia, Ilham Aliyev of Azerbaijan, Serge Sargsyan of Armenia and Alexander Lukashenka of Belarus. The six leaders instructed their administrations to continue active work over elaborating a new treaty on the free trade zone within the CIS region and including the issue into the agenda of the next meeting of the Commonwealth's prime ministers. The participants also discussed prospects of implementing joint projects in transportation and tourism areas. Following the meeting, the CIS heads of state adopted a joint statement reflecting the need to ensure the growth of living standards, and enhance economic cooperation between the organization's member states.
- OSCE Chairperson-in-Office, Kazakh Secretary of State – Minister of Foreign Affairs Kanat Saudabayev held a phone conversation with Kyrgyz President Roza Otunbayeva on July 10. The parties discussed measures to promote implementation of a programme on Kyrgyzstan's economic rehabilitation, initiated by Nazarbayev and Otunbayeva following their meeting in Akorda on July 4. Under the task of the Kazakh President, a high-level working group headed by First Deputy Prime Minister Umirzak Shukeev has started its work recently. The Kyrgyz are also working to create a similar working group, Otunbayeva said. The sides agreed that it is necessary to organize a meeting of these working groups with a view of defining a specific plan of action for economic rehabilitation of Kyrgyzstan, including the reconstruction of Osh and Jalalabad. In

addition, as an OSCE chairing state Kazakhstan is going to seek an International donor conference for assisting Kyrgyzstan and forming an investment portfolio for the country.

- Kazakhstan's Ombudsman Askar Shakirov met a delegation of the Human Rights Watch led by Rachel Dunbar, the nongovernmental organization's chief of division for Europe and Central Asia. As reported by the Ombudsman's press service, the guest briefed Shakirov on the results of their survey on preventing and elimination of abusing rights of foreign labour migrants in Kazakhstan. The sides agreed on the need to protect the rights of labour migrants under relevant international legal regulations and norms, while noting the negative aspects of illegal migration.
- Airmobile forces of Kazakhstan, established on the basis of air-assault units of the Central Asian nation's armed forces, celebrated its 10th anniversary last weekend. According to the Ministry of Defence, festivity celebrations involving exhibition performance of red berets took place in a military unit close to Almaty. Veterans of the Afghan war of 1979-88, and foreign military attachés were invited to witness the event. Military personnel of the Kazakh airmobile forces took part in the peacekeeping efforts outside the country as well. Thus, starting from 2003 to 2008 ten special operation units of the "Kazbat" battalion provided the Iraqi civilians with drinking water and electricity, assisting in cleaning the territory of the country from nearly four million missiles, rockets, ammunition and other explosives.
- Kazakhstan has seen the significant decline in the unemployment rate, which fell from 6.1% in May to 5.7% in June this year, Chairman of the State Statistics Agency Alikhan Smailov said on July 12. In his words, the number of unemployed in June amounted to 495,900 people. In the meantime, according to the Ministry of Labour and Social Protection as of June 2010 there have been registered 69,500 unemployed people in the country. The proportion of the officially registered unemployed account for 0.8% of the economically active population of Kazakhstan.
- The National Bank of Kazakhstan has reaffirmed its position on the establishment of a specialized Agro Bank, saying the creation of specialized banks is not provided within the concept of financial sector development in the post-crisis period, Deputy Chairman of the Bank Daniyar Akishev said on Monday. According to him, the creation of such a financial institution is not conducive to the competitive ability of the market, and requires allocation of some significant budget funds. "The market players should have equal conditions and opportunities. These terms are more efficient and viable," Akishev said. The final decision on this matter will be taken by the Kazakh government and the State Agency for Financial Supervision.
- Following the results of the 51st International Mathematical Olympiad, the Kazakh team claimed the fifth place in the general team classification among 98 countries. Representatives of China headed the list of the most talented mathematicians of the world. Teams from Russia, the United States, and South Korea continued the list respectively. Teachers and students from the Lyceum 2 of Taldykorgan and School #134 of Almaty won the golden medals. Representatives of the Kazakh-Turkish Lyceum of Astana and the National Physics and Mathematical School of Almaty earned silver medals. In addition, the students from Kazakhstan were granted testimonial certificates on the participation in the Olympiad.

Things to Watch:

- OSCE Informal Ministerial meeting takes place in Ak-Bulak resort next to Almaty on July 16-17 to discuss the initial outcomes of the European security dialogue known as the Corfu Process, possible agenda of the OSCE Summit proposed by the Kazakh chairmanship, as well as a number of other issues, including stabilizing Kyrgyzstan and Afghanistan. Representatives of all 56 member countries, cooperating partner countries and international organizations will be participating in the forum. The total number of participants is expected to comprise approximately 400 delegates, including 50 high level representatives of the highest foreign policy authorities and their deputies.

The meeting is to open with an address by President Nursultan Nazarbayev, Chairman-in-Office of the OSCE Secretary of State and Minister of Foreign Affairs of Kazakhstan Kanat Saudabayev OSCE Secretary General Marc Perren de Brichambaut, as well as OSCE Parliamentary Assembly President Petros Efthimiou.

In accordance with working practice, the annual schedule of the OSCE and the meeting of the OSCE 'Troika' member states, an initiative of the acting chairmanship, will be held by foreign

policy makers of the highest level with the participation of the OSCE Secretary General. The purpose of the session is to reach consensus on the position of the 'Troika' members regarding key and high-relevance issues on the OSCE agenda.

A meeting of the foreign ministers of Azerbaijan and Armenia and of the co-chairmen of the Minsk group within the OSCE (Russia, US, France), with the participation of the OSCE Chairman-in-Office, is scheduled for July 17 with the aim of discussing the prospects for solving the Nagorno-Karabakh conflict.

Another meeting will be held on July 17 with the international organizations responsible for security in the Euro-Atlantic and Eurasian regions during. The purpose of the event, which will be attended by the heads of the OSCE, CSTO, EU, CE, CIS, the UN, CICA, is to have a discussion of current problems related to security with special regard to military-political aspects, transnational challenges and threats. Afghanistan and the situation in Kyrgyzstan will remain important topics for discussion.

- Chancellor of Germany Angela Merkel will pay an official visit to Kazakhstan on July 18 to advance political contacts and economic relations between the two countries, as well as the issues of cooperation within the OSCE framework.
- Team Kazakhstan continues its bid to qualify for the Rugby World Cup with a semi-final of the mini-tournament, whose winner will grab the last, 20th place in the event due in September-October next year in New Zealand. The opponents are Uruguay and the match takes place in Montevideo (according to the regulation, the team with a higher ranking (Uruguay is #22 and Kazakhstan is #26) host the game). The winner of this tie will advance into a two-leg final against the winner of the other semi-final contested by Romania and Tunisia.

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