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Senate Speaker Advocates OSCE Summit in Astana Next Year

Kassym-Zhomart Tokayev, the Speaker of the Senate (Upper House) of Kazakhstan's Parliament and the Vice Chairman of the OSCE Parliamentary Assembly, spoke at the assembly's autumn session in Athens October 10, calling on the OSCE community to support Kazakhstan's initiative to hold a summit of the organization next year.

In a wide-ranging speech to lawmakers from 56 OSCE member countries, which covered issues such as energy security and the environment, Tokayev expressed hope an OSCE summit will take place in 2010 in Astana.

"The next year we will celebrate the 35th anniversary of the OSCE, 20 years since the adoption of the Paris Charter for a New Europe and the 65th anniversary of the end of World War II. In our view, this is an excellent opportunity to ask the heads of state and government to hold a summit in Kazakhstan to discuss topical issues of global security, including those we are considering at this assembly," Tokayev stated.

The previous OSCE summit took place in Istanbul in November 1999. Since then, OSCE leaders have not met as part of the organization, while annual meetings of OSCE foreign

ministers have for the past five years ended without common declarations due to disagreements between member states. Holding an OSCE summit next year is among the proposals Kazakhstan is preparing to be put forward to its partners once the country assumes the chairmanship.



Speaker of the Kazakhstan's Senate Kasym-Zhomart Tokayev addresses to the OSCE Parliamentary Assembly in Athens on October 9, 2009.

Photo by the Press Office of the Kazakhstan's Senate

“Over the past 10 years the world has seen many events of global proportions. A large number of issues requiring discussion at the level of heads of state have accumulated. So today there is a need for a meeting of heads of state and government – Kazakhstan’s partners in the OSCE,” Tokayev noted. He also said Kazakhstan’s Parliament is planning to host a forum of the OSCE Parliamentary Assembly, called OSCE’s Eurasian Dimension, in Astana next May.

Last week, French President Nicolas Sarkozy supported Kazakhstan in this matter during his visit to Astana: “France supports your initiative to reunite the countries of the OSCE. I will take part in the summit of the OSCE.”

In Athens, Tokayev also met Chairman of the OSCE Parliamentary Assembly Joao Soares who accepted an invitation to visit Astana on the eve of Kazakhstan’s OSCE chairmanship.

OSCE Meeting in Astana Focuses on Facilitating Transportation

A conference to prepare the 18th OSCE Economic and Environmental Forum took place in Astana October 12 and 13 with 170 participants from 56 nations who gathered to discuss how to promote good governance at border crossings, improve land transportation security and facilitate international transport by road and rail.

The agenda included discussions on international legal instruments and new technologies for efficient border crossing and customs procedures, efforts to battle corruption, transit needs of landlocked developing countries and public-private partnerships in road transport as well as best practices in combating trafficking.

Goran Svilanovic, Co-ordinator of the OSCE Economic and Environmental Activities,



Deputy Minister of Foreign Affairs Konstantin Zhigalov; Deputy Minister of Transport of the Republic of Kazakhstan Azat Bekturov; Ambassador of the Hellenic Republic (Greece) to the Republic of Kazakhstan Evangelos Denaxas; Coordinator of the OSCE Economy and Ecology Service Goran Svilanovich.

Photo by Stanislav Fillippov

said at the conference, “Development and growth rely on trade, and trade needs cross-border transportation that is efficient and secure. Therefore, renewed effort to remove the still existing non-physical barriers is necessary, and we encourage participants to identify priorities and formulate recommendations and requests for OSCE assistance in this regard.”

Kazakhstan’s Deputy Foreign Minister Konstantin Zhigalov said “Kazakhstan’s 2010 OSCE Chairmanship and its focus on transport open up new prospects for further development of Kazakhstan’s transport system and its integration into the global transport networks. It also increases the capacity of OSCE participating states to co-operate in this field.”

Kazakhstan’s Deputy Minister of Transport and Communications Azat Bekturov noted, “Through the 2010 OSCE Economic and Environmental Forum, we will consider proposals to develop trans-Eurasian transport corridors and create favourable conditions for reliable and safe transport connections on the continent.”

Kazakhstan’s unique geographic in the heart of the Eurasian continent, on the borderline between Europe and Asia provides an opportunity to create an efficient direct transit corridor between the Asian subcontinent, the Asia-Pacific region and Europe as well as to initiate and moderate the development of transport capacity of OSCE member countries.

The Office of the Coordinator of OSCE Economic and Environmental Activities organized the conference in cooperation with Kazakhstan’s Foreign Ministry and Ministry of Transport and Communications, with the support of the OSCE Centre in Astana.

The 18th OSCE Economic and Environmental Forum 2010 will be held in two parts, from 1 to 2 February in Vienna and from 24 to 26 May in Prague.

CIS Plans to Overcome Crisis Jointly, Readies to Mark 65th Year of V-Day

Prime Minister Karim Massimov led Kazakhstan’s delegation for October 9 Commonwealth of Independent States summit in Chishinau, Moldova. Secretary of State – Minister of Foreign Affairs Kanat Saudabayev participated in the ministerial meeting the previous day, which laid the groundwork for the summit.

A total of 22 issues were considered, and a number of agreements signed.

“One of the key documents signed by the heads of delegations was the plan of joint actions of the Commonwealth to overcome the effects of financial and economic crisis, presented by Russia’s Finance Minister Alexei Kudrin,” Chairman of CIS Executive Committee Sergei Lebedev said after the event.

CIS member states decided to declare 2010 the Year of the Veterans. Summit participants also adopted an address from CIS heads of state to the peoples of the Commonwealth and the world community in connection with the upcoming 65th anniversary of the victory in the World War II.

During that war, the Soviet Union, according to official figures, lost 27 million people. Kazakhstan, then the Kazakh Soviet Socialist Republic within the USSR, sent 1.5 million people to the battlefields, and only half of them returned. Sixty-five years after the Victory Day, May 9 is one of the most important and respected holidays in Kazakhstan.

Among other documents approved at the summit were the concept of coordinated border policies of CIS member states, and an agreement to create a council of executives of respective agencies in CIS Member States to coordinate fighting the trafficking in drugs and psychotropic substances.

“Documents signed today are aimed at further expanding the multifaceted interaction in the format of the CIS, improve the impact of its decisions in the field of economics, migration, energy and other areas,” Lebedev said.

The next council of CIS foreign ministers is to be held in March 2010 in Moscow.

In Astana, Israeli Foreign Minister Discusses Political, Economic Ties

Avigdor Liberman, Deputy Prime Minister and Minister of Foreign Affairs of Israel visited Astana October 12 and 13 for talks with officials about the future of political and economic ties between Israel and Kazakhstan.

President Nursultan Nazarbayev received Minister Liberman in Akorda for discussions about cooperation in trade and economic, cultural and humanitarian spheres. Secretary of State – Minister of Foreign Affairs Kanat Saudabayev held talks with his colleague, signing a memorandum of understanding to set up a mechanism for bilateral consultations between the two foreign ministries.

Officials also discussed the political and security situation in the Middle East. At a press briefing after the meetings, Liberman thanked President Nazarbayev for his policies, which promote good relations between the two states, and stated that Kazakhstan can serve as an example of a country that preserves its own traditions while being tolerant of other religions and traditions. He also said President Peres’s visit to Kazakhstan in July 2009 contributed to strengthening the relations between the two states.

In an interview with *Kazakhstanskaya Pravda* daily newspaper, Minister Lieberman praised the level of political relations between the two countries and the role President Nazarbayev has played in their development.

“Political relations [between Kazakhstan and Israel] are at the highest level. This is due to a factor of personality of President Nursultan Nazarbayev, who has for many years successfully interacted with Israeli President Peres. Numerous meetings of heads of state gave a strong impetus to bilateral cooperation. I note that Shimon Peres appreciates President Nursultan Nazarbayev, considering him one of the most outstanding leaders, and Kazakhstan a leader in the region.”



In 2004, at the opening of the largest synagogue in Central Asia in Astana, Kazakhstan’s Secretary of State – Foreign Minister Kanat Saudabayev and Israeli Foreign Minister Avigdor Liberman signed a consultation agreement. Photo by Ilyas Omarov

President Nazarbayev was awarded the International Prize of Rabbi Maimonide for his contribution to promoting dialogue among civilizations. Several years ago, the mayor of Jerusalem also decided to plant a grove of three thousand trees in the vicinity of Jerusalem to recognize the role of President Nazarbayev in strengthening the relations between the two countries.

In his interview, Lieberman also called people of Jewish descent who recently migrated from Kazakhstan to Israel a “living bridge” between the two countries, and another “strong connection which bodes well for cooperation and friendship.”

”We are convinced that peacemaking initiatives of Kazakhstan and your president are finding more followers in the world. I think I won’t be mistaken if I say that the Congress of Leaders of World and Traditional Religions initiated by Kazakhstan so far is the only forum of its kind, bringing together people of different nations and religions. So, of course, we fully support Kazakhstan as a country initiating a global peacemaking dialogue,” Lieberman said.

In terms of bilateral economic ties, Lieberman noted the biggest potential in areas such as medicine, pharmaceuticals, space and agriculture.

Kazakhstan Collects Record Grain Harvest

Kazakhstan's farmers have collected a record grain harvest this year, 22 million tons, buttressing the country's reputation as one of the world's major bread baskets.

As of October 12, grain crops in Kazakhstan have been collected from the area of 16.3 million hectares, or 98.2 percent of harvested acreages. The initial weight of collected grain is 22.0 million tons, 4.7 million tons more than last year. Productivity reached 13.5 tons per hectare. It is the second record harvest in the last five years. In 2007, 22.3 million tons of grain were collected.

The record harvest will help stabilize bread prices in Kazakhstan. A major drought led to a disappointing 17 million ton harvest last year, prompting government action to stem rising bread prices, which increased by approximately 12 percent. This year, the size of the harvest will allow Kazakhstan to boost wheat exports by around one third.

Kazakhstan is the sixth largest producer and the seventh largest exporter of grain in the world. The country is especially active on the wheat market which represents approximately 90 percent of its annual grain crop. Kazakhstan has strong assets due to its size (five times as large as France), as well as climates that permit the growing of wheat varieties of various quality.

A system of state support, diversification of plant growing and application of modern technologies and new high-efficiency techniques have all helped increase the crop this year. The planted area under grain crops increased to 17.2 million hectares this year, one million hectares more than last year, including 14.7 million hectares under wheat.

President Nursultan Nazarbayev congratulated the farmers of the Akmola, Kostanai and Northern Kazakhstan regions, responsible for collecting about 16.8 million tons of grain in bunker weight. Record harvests were also yielded in Almaty, Eastern Kazakhstan, Zhambyl and Southern-Kazakhstan regions.

GDP Is Set to Grow Slightly in 2009

Kazakhstan expects its gross domestic product to grow slightly, by 0.1 percent, in 2009 compared to 2008. Such a forecast became possible due to the growth in the third quarter of 1.1 percent and a projected GDP growth of 3 percent in the fourth quarter, year-on-year.

The agricultural sector is worth special mentioning as one of the driving forces behind positive trends. "Taking into account the gross grain harvest and the expected crop of oilseeds we can talk about a 6 percent annual growth instead of an estimated 4.8 percent. There has been a record grain harvest of 20, 5 million tons," Minister of Agriculture Akylbek Kurishbayev said.

The Ministry of Energy and Mineral Resources plans to carry out a plan to increase the extraction of coal, oil and expand refining. Tengizchevroil, a joint venture between Chevron, KazMunaiGaz and Lukarco, plans to increase oil production to 22.5 million tons a year. Coal production by the end of the year will reach 92.7 tons.

Plans are expected to be achieved in non-ferrous, ferrous metallurgy, and chemical industry. In particular, Kazakhmys Corporation, a leading mining and metals company in Kazakhstan, is planning to raise the extraction of gold by 10.3 percent, silver by 1.2 percent, and sulfuric acid by 69 percent.

The Samruk-Kazyna national fund plans to allocate 110 billion tenge (one US dollar equals 150 tenge) into the manufacturing industry in order to help increase production.

Prime Minister Karim Masimov instructed the government to do everything possible to achieve a positive GDP growth. Akims (governors) of oblasts (regions) are instructed to monitor the situation in their regions weekly.

Satellite Assembly and Testing Complex to Be Built in Astana

Talgat Musabayev, the head of Kazakhstan's National Space Agency (KazKosmos) is confident the French company, EADS Astrium, will built an assembly and testing complex for satellites in Astana by the end of 2012. An agreement to set such a facility up was signed during the visit of French President Nicolas Sarkozy to Kazakhstan last week.

“The assembly and testing facility here in Astana will be built by the end of 2012. In fact, it will be a huge plant, 30 hectares [74 acres] of land have been allocated for its construction on the left [bank of Ishim River] in the capital,” Musabayev said in an interview with *Interfax-Kazakhstan*.

The contract’s main emphasis is on the transfer of technology, allowing Kazakhstan to further develop its own space industry. EADS Astrium will own 27,5 in a newly established joint venture with Kazakhstan. The total project cost is estimated at 128 million euros. The company, in addition to the domestic orders, will perform the international ones (about 34% of the total).

Musabayev believes satellites, built in Kazakhstan, in the future will be suitable to be launched from the French launch site Kourou, Chinese Jiuquan, Cape Canaveral in Florida, and from Russia’s Plesetsk.

“Our strategic partner has guaranteed us 60-million-euros worth of orders after 5 years from the date of commissioning the plant. And we are not talking only about the first “five-year plan,” the head of KazKosmos, himself a former cosmonaut, said.

Another agreement signed last week provides for the establishment of Kazakhstan’s space system for remote sensor studies of Earth to be completed in 2014. It includes two remote satellites, a ground control complex, a ground-based target set for receiving and processing satellite data and a data transfer system for information exchange within the system and external callers. The system will facilitate the solution of such problems as the prevention, monitoring and evaluation of emergencies, exploration of minerals, control of property and infrastructure, environmental monitoring, monitoring of the steppe and forest fires, mapping, control of land and forest management, monitoring of agricultural and forest land.

A similar agreement was concluded a year earlier with Russia, and the new agreement is closely that one.

The Kazakh-French agreements signed last week further expand Kazakhstan’s ties in the space area and set the stage for wider international cooperation in the future.

U.S. Official Notes Importance of Ties with Kazakhstan

U.S. Deputy Secretary of State William Burns recently spoke of the importance of ties between the United States and Kazakhstan in areas such as energy, economic and political modernization, people and societies,

Burns delivered a speech on the subject of “Silk Road Trade and Investment: New Pathways for US-Central Asia Economic Ties” at an event at the U.S. Chamber of Commerce in Washington on October 7.

In his speech, Burns noted the importance of implementing a “Kazakhstan Caspian Transportation System (KCTS), allowing Kazakhstan to join the Baku-Tbilisi-Ceyhan (BTC) oil pipeline: “Ambassador Morningstar [Special Envoy for Eurasian Energy], along with many American companies in the region, has been working diligently to ensure that our energy strategy benefits countries throughout Eurasia, whether they are supplier, transit or consumer countries. The expansion of the Caspian Pipeline Consortium and development of the Kazakhstan Caspian Transport System Project offer the possibility of getting increased oil out of the Caspian into world markets.”

The U.S. is the largest investor in Kazakhstan’s energy sector. The KCTS project envisages shipment of oil from Aktau on the Kazakh Caspian shore by tankers to Baku, the capital of Azerbaijan on the western shore of the sea, where it will be pumped into the BTC pipeline. Last week’s signing of agreements with French companies brought this project closer to implementation as the agreements provide for the construction of a pipeline system from the giant Kashagan oil field to the Caspian shore and on to Aktau.

In his remarks in Washington, Burns also noted the role of cultural exchanges in strengthening ties between the U.S. and countries of Central Asia: “Each year, the U.S. government sends hundreds of students, teachers, journalists, artists, and sportsmen from Central Asia and Afghanistan to America. Over the past year alone, over 290 young leaders from the region participated in US government-sponsored cultural and educational exchange programs.

Since 1993, the U.S. government has also sent over 2,300 Peace Corps volunteers to Kazakhstan, the Kyrgyz Republic, and Turkmenistan to build understanding and help the development efforts of local communities”.

He also spoke of educating journalists and the elimination of legal illiteracy of citizens in the countries of Central Asia. “The United States provides technical assistance and training to build vibrant networks of NGOs (non-governmental organizations), increase judicial capacity, and develop municipal government in Central Asia. Our assistance funds the education of journalists and provides civic education to more than 130,000 students in Kazakhstan, Kyrgyzstan, and Tajikistan to help develop the next generation of engaged, active citizens. Such programs generate more accountable and transparent governance. This in turn will lead to greater investment and greater long-term prosperity, which is deeply in the self-interest of our friends in Central Asia and around the world”.

Burns further stressed the importance of contacts between individuals and companies in the development of trade, investment and social relationships. “I want to emphasize once again that our success in expanding trade and investment and strengthening relations in Central Asia will not depend solely on government actions. We can encourage reforms, we can set up regulations, we can even promote the region as a good place to do business. But progress will ultimately depend on the partnerships built among vibrant civil societies, individuals, and especially dynamic companies which make the final investment decisions. Connecting our citizens and communities will create the links needed to reach our common goals from the ground up”.

Also in the News:

- A conference took place in Astana on October 10 to discuss the progress Kazakhstan is making in implementing the Kazakhstan-2030 long term development strategy, unveiled by President Nazarbayev in November 1997.
- Swiss Foreign Minister Micheline Calmy-Rey visited Astana last week. She met Secretary of State – Minister of Foreign Affairs Kanat Saudabayev and officially unveiled a new Swiss Embassy office in Kazakhstan’s capital.

Things to Come:

- Prime Minister Karim Massimov is set to visit Beijing October 14 for meetings of the Council of heads of government of the Shanghai Cooperation Organization.
- Kazakhstan-Russian consultations between two foreign ministries will take place in Astana on October 15. The Kazakhstan delegation will be headed by Deputy Foreign Minister Konstantin Zhigalov, Russia will be represented by Deputy Foreign Minister Alexander Grushko. The two officials will focus on Kazakhstan’s upcoming chairmanship in the Organization for Security and Cooperation in Europe.



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