

**ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF KAZAKHSTAN,  
LEADER OF THE NATION, N.A.NAZARBAYEV**

**STRATEGY KAZAKHSTAN 2050**

**NEW POLITICAL COURSE OF THE ESTABLISHED STATE**

**Astana, 2012**

## **CONTENTS**

### **I. OUR ACHIEVEMENTS: ESTABLISHING THE MODERN STATE OF KAZAKHSTAN**

A Strong and Successful State

Sustainable Process of Democratization and Liberalization

Harmony and Peace among disparate Social, Ethnic, and Religious Groups

National Economy. Our Role in International Division of Labor.

Strong Social Policy to Ensure Social Stability and Harmony

Globally Recognized Country

Our Proactive Role in Promoting Nuclear Nonproliferation Regime

Strategy Kazakhstan 2030: Key Outcomes

### **II. TEN GLOBAL CHALLENGES OF THE 21 CENTURY**

First challenge is the accelerating course of history.

Second challenge is the global demographic imbalance.

Third challenge is the global food security threat.

Fourth challenge is the water shortage.

Fifth challenge is the global energy security.

Sixth challenge is the exhaustion of natural resources.

Seventh challenge is the Third industrial revolution.

Eighth challenge is the growing social instability.

Ninth challenge is the crisis of our civilization's values.

Tenth challenge is the threat of a new global destabilization.

### **III. STRATEGY KAZAKHSTAN 2050 – IS A NEW POLITICAL COURSE FOR NEW KAZAKHSTAN IN A FAST CHANGING WORLD**

The new paradigm of challenges

#### **1. ECONOMIC POLICY OF THE NEW COURSE – ALL AROUND ECONOMIC PRAGMATISM BASED ON THE PRINCIPLES OF PROFITABILITY, RETURN ON INVESTMENT AND COMPETITIVENESS**

Universal economic pragmatism

New personnel policy

Modernization of the macroeconomic policy

Budgetary policy

Tax policy

Monetary policy

Policy of managing public and external debt

Infrastructure development

Modernization of the system of managing the state assets

New system of managing natural resources

Plan for the next phase of industrialization

Modernization of the agricultural sector

Development of farming and SME in agricultural processing and trade.

Policy regarding water resources

## 2. COMPREHENSIVE SUPPORT OF ENTREPRENEURSHIP – LEADING FORCE IN THE NATIONAL ECONOMY

Development of small and medium enterprises

New model of public private partnership: “Strong business – strong state”.

New stage of privatization – changing role of the state

## 3. NEW PRINCIPLES OF SOCIAL POLICY – SOCIAL GUARANTEES AND PERSONAL RESPONSIBILITY

New Principles of Social Policy

Minimum social standards

Targeted social support

Addressing social imbalances in the regions

Modernization of the labor policy

Protection of motherhood. Appeal to all the women.

Children’s rights

Health of the nation is basis of our successful future

Key priorities in healthcare

New approaches in healthcare for children

Improving medical education system

Quality of medical care in rural areas

Physical training and sports

## 4. KNOWLEDGE AND PROFESSIONAL SKILLS ARE KEY LANDMARKS OF THE MODERN EDUCATION, TRAINING AND RETRAINING SYSTEM

Our priorities in education

Extending “Balapan” program until 2020

Developing engineering education system

Developing system of social responsibility in education

Modernization of teaching methods

New innovative research development policy

Technology transfer

Cooperation of science and business

Roadmap of development prospective national clusters

Appeal to the youth

## 5. FURTHER STRENGTHENING OF THE STATEHOOD AND DEVELOPMENT OF THE KAZAKHSTAN DEMOCRACY

New type of state governance

Improving system of state planning and forecasting

Decentralization of power

Dividing responsibilities and power between center and the regions

Development concept of local self-governance

Election of the rural governors

Creating a professional state apparatus

Second stage of the administrative reform

New system of interaction between state apparatus and business community

Introducing “zero tolerance” principle towards disorder

Fight against corruption

Reforming law enforcement bodies and special agencies

6. CONSISTENT AND PREDICTABLE FOREIGN POLICY IS PROMOTION OF NATIONAL INTERESTS AND STRENGTHENING OF REGIONAL AND GLOBAL SECURITY

Foreign policy modernization priorities

Development of economic and trade diplomacy

Strengthening regional security

Contribution to global security

Strengthening national defense capacity and military doctrine

7. NEW KAZAKHSTAN PATRIOTISM IS BASIS FOR SUCCESS OF OUR MULTIETHNICAL AND MULTI-CONFESSSIONAL SOCIETY

New Kazakhstan Patriotism

Equality of citizens of all ethnic groups

Kazakh language and three-side unity of languages

Culture, traditions, and distinction

Role of the national intelligentsia

Religion in Kazakhstan of 21st century

What Kazakhstan do I see in future?

Appeal to the nation

## **Fellow citizens!**

Today we have gathered on the eve of our Independence Day.

It has been **more than 20 years** since we started to **proudly** celebrate this **great** holiday.

On December 16, 1991 we, the people of Kazakhstan, chose **sovereignty, freedom and openness to the world** as our founding principles. Today these **values** have become a part of our daily life.

As we began our journey as a nation things were vastly different. Now thanks to our joint efforts we have transformed our **country into a wholly different place.**

Today we are a **successful state** with our own characteristics, perspectives and identity. We have paid a great price to achieve these milestones.

For over 20 years our country has worked to strengthen its sovereignty and political influence - a goal which we have accomplished. The formation of our nation has been successfully completed.

21st century Kazakhstan is an **independent and self-confident state.**

We are not afraid of the ongoing changes in the world caused by the prolonged global financial crisis. Indeed, we are prepared for them. **Our goal is to continue our sustainable development into the 21st century** while maintaining and building on our existing achievements.

By 2050 we want to have **created a society based on a strong state, a developed economy with universal labor opportunities.**

**A strong state is especially important to ensure accelerated economic growth. This is not about survival, it is about planning, long-term development and economic growth.**

Today, on the eve of our Independence Day, I present to you **my vision of our nation's development prospects.**

**This is a new political course.**

## I. OUR ACHIEVEMENTS: ESTABLISHING THE MODERN STATE OF KAZAKHSTAN

In 1997 we adopted the **Development Strategy of Kazakhstan 2030**.

That was fifteen years ago when the post-Soviet chaos has not been overcome, there was an economic crisis in South East Asia and Kazakhstan faced a difficult period too.

As we faced these challenges and others our strategy served as a **beacon to guide our way** forward and keep us focused on our target.

### **Remember 1997?**

After my speech in Parliament in 1997 there was some confusion and bewilderment. As I outlined our ambitious goals many people asked: **“Was that propaganda? Or a promise of manna from heaven?”**

Yet, as the saying goes, “the eyes may be frightened, but the hands are working”. We set ourselves an enormous task – to reverse the downward trend Kazakhstan faced and continue on the road to developing a new country.

To reach this aim we had to work to improve three areas: build a modern nation state by making the **leap** towards a market economy, lay the foundation of a social system and, finally, transform people’s thinking and outlook. We had to define our **own path**. This path was outlined in the “Kazakhstan 2030 Strategy”. This strategy helped define our strategic goals and targets and provided a crucial breakthrough in our world outlook.

Only with the objective in mind can we set targets that will lead us to success. Today I’m honored to announce that we made the right decisions all those years ago. Our resilience through the 2008-2009 global financial crisis has proved that. Kazakhstan has withstood. The crisis has not destroyed our achievements, but has made us stronger.

The political, socio-economic and foreign policy model of development that we chose proved to be the right one.

### **A Strong and Successful State**

Our key achievement is that we have established an independent Kazakhstan. We have legally formalized our borders. We have put together our nation’s integrated economic space. We have recreated and reinforced

economic ties that bind our country. Our domestic regions are united in their activities.

We have implemented historically important constitutional and political reforms that have established a system of public administration based on the division of branches of power.

We have built a new capital – Astana. It is a modern city that has turned into a symbol of our country that we take pride in. We have unleashed the potential of the capital to showcase our country's capabilities to the entire world. This is exactly why the international community elected Kazakhstan to host the EXPO 2017 international exhibition. This would be impossible without Astana. Very few cities have received such an honor. It's enough to say that our country turned out to be the first post-soviet nation to chair the Organization for Security and Cooperation in Europe, host the Summit of the Organization, and the EXPO 2017 – a world-scale event.

### **Sustainable Process of Democratization and Liberalization**

We have a clear formula to follow: “Economy first, then politics”. Every step of our political reforms is closely tied to our level of economic development. The only way to modernize our country and make it competitive is to progressively follow the path of political liberalization.

Step-by-step our society is approaching the highest standards of democratization and human rights.

We have secured fundamental rights and liberties in our country's Constitution. Our citizens have equal rights and opportunities.

### **Harmony and Peace among disparate Social, Ethnic, and Religious Groups**

We have worked to restore our historic Kazakh culture and language after many years of decline. Kazakhstan is home to over 140 ethnic and 17 religious groups. We are proud of our ethnic, cultural and religious diversity, and even prouder that we have maintained peace and stability in our country

Civil peace and interethnic harmony remains a key value for us. Peace and accord, intercultural and inter-religious dialogue in our multi-ethnic country has been recognized as a global model.

The Kazakhstan's People's Assembly has become a unique Eurasian model of intercultural dialogue.

Kazakhstan has turned into a center of global inter-religious dialogue.

### **National Economy. Our Role in International Division of Labor.**

We were the first in the Commonwealth of Independent States to develop a modern market economy based on private property, free competition and openness. Our model is based on a proactive role of the government in attracting foreign capital.

To date **we have attracted over \$160 billion of foreign investment.**

We have established basic conditions for entrepreneurship, as well as a modern taxation system.

We have systematically diversified our economy. I set forward a clear task to accelerate the industrialization program – to help transform the shape of our economy, make it immune to global commodity price fluctuation within the decade.

Over the 15 years following the adoption of the 2030 Strategy, our state joined the top five dynamically developing countries of the world.

There are recognized rankings which countries use to track their development. By the end of 2012, Kazakhstan will enter the top 50 largest global economies and is already ranked 51<sup>st</sup> in terms of economic competitiveness.

### **Strong Social Policy to Ensure Social Stability and Harmony**

A major criterion for me has always been and will be the level of our people's living standards.

Over the past 15 years the incomes of our citizens have grown 16 fold.

The number of people with an income below subsistence level is seven times as low as it was, the number of unemployed is twice as low as it used to be.

We have laid the foundation of a social-oriented society.



We have managed to achieve substantial progress in improving our nation's health

To improve the efficiency of our healthcare system, we have reformed its organization, management and funding. Over the last five years, maternal mortality rate decreased threefold, while the birthrate is 1.5 times as high.

We have created equal opportunities for education. Over the last 15 years our education expenditure has grown 9.5 times. We have implemented an Education Development Government Program designed to radically modernize education at all levels, from pre-school to higher education.

Thanks to our long-term human capital investment policy we have brought up a talented generation of today's youth.

### **Globally Recognized Country**

In world politics, our country is a responsible and reliable partner with an indisputable weight in the international arena.

We play an important role in strengthening global security and supporting the international community in its fight against terrorism, extremism, and illicit drug trafficking.

Our initiative to convene a Conference on Interaction and Confidence Building Measures in Asia (CICA) has seen CICA grow into an organization with 24 member countries that have a combined population exceeding 3 billion people. CICA is a critical element of Kazakhstan's security.

For the last 3 years the Republic of Kazakhstan chaired the Organization for Security and Cooperation in Europe, Shanghai Cooperation Organization, Organization of Islamic Cooperation and Collective Security Treaty Organization.

At the Astana Economic Forum we proposed a new dialogue format – G-Global. The initiative has been designed to combine the efforts of all to establish a fair and secure world order.

We have a decent contribution to ensuring global energy and food security.

### **Our Proactive Role in Promoting Nuclear Nonproliferation Regime**

Our initiatives to strengthen the nuclear nonproliferation regime are a key contribution to global stability, order and security.

Being the first in the world to close nuclear testing site at Semipalatinsk and abandon nuclear weapons, we gained strong international security guarantees from leading nuclear powers – USA, Russia, Great Britain, France and China.

We played a key role in establishing a Nuclear Weapon Free Zone in Central Asia and actively support creating similar zones in other regions of the planet, specifically, the Middle East.

We support the efforts of the international community to counter the nuclear terrorism threat.

We firmly believe in the need to take decisive measures to eliminate the nuclear threat. We believe that the Nuclear Nonproliferation Treaty has been and remains the cornerstone of the nonproliferation regime. We consider the early entrance into force of the Comprehensive Nuclear Test Ban Treaty as an important driving force to strengthen the nonproliferation regime.

Three years ago, the UN General Assembly supported my suggestion to announce **August 29 as the International Day against Nuclear Tests.**

All of this is a testament to the recognition of Kazakhstan's role in global politics.

Kazakhstan has been recognized as a leader in nuclear nonproliferation and remains a model for other countries.

### **Strategy Kazakhstan 2030: Key Outcomes**

**In Strategy Kazakhstan 2030 we planned our country's future success.**

We have progressively and persistently moved towards our aims. Even at the height of the 2008-2009 global financial crisis our national economy kept growing.

**So today I'm honored to be able to summarize that we've implemented the outcomes of the 2030 Strategy ahead of schedule in terms of main parameters.**

**(1) INTERNATIONAL SECURITY.** We had an aim to develop our country while maintaining its territorial integrity. **We managed to do more than we initially planned.**

For the first time in its history Kazakhstan gained clear, internationally recognized borders. 14,000 km of our state border has been delimited.

Kazakhstan safely controls the situation in its Caspian water area. From now on, there is no threat of any territorial disputes to emerge in the future. We haven't left disputed borders to our descendants.

We have created a strong Army capable of defense and an efficient law enforcement system ensuring the security of our individuals, society and state.

**(2) We have maintained and strengthened STABILITY AND NATIONAL UNITY in a country where 140 ethnicities and 17 religious groups are represented.**

We have consistently developed civil institutions based on a democratic development model. We've set up a Human Rights Ombudsman institution.

Whereas in the past we've never had a multiparty system, today there are parties representing the entire political spectrum of the country. We have a multiparty Parliament and a majority government.

Civil society is being developed. Independent media outlets work in the country. There are over 18,000 non government organizations of various orientations. Nearly 2,500 media outlets function in the country of which approximately, 90% are private.

Today Kazakhstan is an important international center of inter-cultural and inter-religious dialogue. Kazakhstan hosted the first four Congresses of the Leaders of World and Traditional Religions.

As this century progresses, Kazakhstan should become a bridge for dialogue and interaction between East and West.

**(3) ECONOMIC GROWTH BASED ON OPEN MARKET ECONOMY WITH A HIGH RATE OF FOREIGN INVESTMENT AND DOMESTIC SAVINGS.**

We aimed to achieve feasible, sustainable and growing rates of development

It was Strategy Kazakhstan 2030 where the focus has been shifted towards economic growth. As a result, within 15 years our national economy grew from 1.7 trillion tenge in 1997 up to 28 trillion tenge in 2011.

Kazakhstan's GDP increased 16 fold. Since 1999 the annual GDP growth equaled 7.6% and outgrew the indicator of advanced developing countries. Our GDP per capita grew seven-fold, from 1,500 USD in 1998 to 12,000 USD in 2012. From the very outset, Kazakhstan has become a top CIS country in terms of its per capita FDI. Today that figure amounts to \$9,200 USD.

We've reached a 12-fold growth of our foreign trade and a 20-fold increase in our industrial output. Over these years our oil output grew three-fold, natural gas output increased five-fold. We've channeled those commodity incomes into our National Fund.

National Fund became a reliable shield to protect us from possible economic and financial disturbances. This is a safeguard for current and future generations.

Carrying out the accelerated industrialization program since 2010, we've implemented 397 investment projects worth 1,797 billion tenge and created over 44,000 jobs. 225 projects worth 101.2 billion tenge have been approved over the two years of implementing the "2020 Business Roadmap" program.

Today we are a middle-income country with a dynamically growing economy.

#### (4) HEALTH, EDUCATION, AND WELL-BEING OF KAZAKHSTAN'S CITIZENS.

It was vital to radically change the lives of our citizens, improve their living conditions. The results of this work are evident:

The average monthly salary grew by 9.3 times. The average pension increased ten-fold. The population saw their nominal return grow 16-fold.

We are creating necessary conditions to ensure high-quality healthcare services in all regions of the country.

In 1999 Healthcare funding equaled 46 billion tenge, in 2011 the figure amounted to 631 billion tenge. We've set up a medical cluster including five innovative healthcare facilities – Children's Rehabilitation Center, Mother and Childhood Center, Neurosurgery Center, Emergency Aid Center and Cardiology Center.

We are developing the services of transportable medicine, which now provides the most remote areas of our country with healthcare services at a rapid pace.

National screening system helps detect and prevent diseases at their early stage. We've introduced free and preferential medication supply.

Over the last 15 years Kazakhstan's population grew from 14 million to almost 17 million. Life expectancy has increased to 70 years. We progressively implement a policy of affordable and high-quality education.

The "Balapan" ("chicken") Program implementation helped us increase the number of children to be covered with early childhood education to **65.4%**.

We've introduced mandatory preschool training. Today this covers **94.7%** preschoolers of our country.

Since 1997 we have built 942 schools and 758 hospitals across the country.

We are developing a network of **intellectual schools** and world-class **vocational colleges**. Over the last 12 years the number of college scholarships has increased by 182%. In 1993 we adopted a unique "Bolashak" program which enabled **8,000** gifted young people to study in the world's top universities.

A state-of-the-art, international standard research university has been established in Astana.

**(5) ENERGY RESOURCES.** Kazakhstan's oil and gas complex remains the powerhouse of our economy, which facilitates growth of other sectors.

We have successfully created a modern and efficient oil, gas and mining sector. Our success in this area will help us to build a new economy of the future.

The share of the oil and gas sector within the country's GDP has been growing at a steady rate, increasing from **3.7% in 1997 to 14.7%** in 2006 and up to **25.8% in 2011**.

We've diversified our export markets and secured our positions, thereby having reduced our dependence on any particular export direction.

## **(6) INFRASTRUCTURE, ESPECIALLY TRANSPORTATION AND COMMUNICATION.**

Our aim was to **develop our infrastructure** and we had the strength to do it. Over recent years we have launched a number of major infrastructure projects that includes highways and railroads, pipelines, logistics centers, terminals, airports, train stations and ports.

All of these projects have created jobs for many citizens of Kazakhstan and integrated us into the regional and global economic system. Over the last 11 years, the highway development sector received over 1,263 billion tenge and has built and reconstructed over **48,000 km** of public highways, as well as 1100 km of railways.

We are reviving a New Silk Road by setting up a “Western Europe – Western China” transportation corridor.

We opened access to the Gulf and Middle East countries by having built the “Uzen – Turkmenistan border” railroad. Having put together the “Korgas – Zhetygen” railway, we have opened the “eastern gate” paving the way towards the markets of China and all of Asia. We began building the “Zhezkazgan – Beineu” railway.

**(7) PROFESSIONAL STATE.** We had to finally get rid of management traditions of the administrative and command system to create a modern and efficient managers corps. We established a system of screening and promoting human resources where all citizens have equal rights and opportunities that ensure a high professional level and transparency of government activities.

We have managed significant change in our **public administration** shifting its focus towards improving the quality of public services.

**Thus, our main goals set forth by the 2030 Strategy have been achieved, other goals are under implementation.**

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Today every single one of us can say: “the 2030 Strategy has succeeded, modern Kazakhstan is an established state”. This is a result of our unity, steady hard work and the true realization of our hopes and dreams.

We should all take pride in our achievements.

The global financial crisis proved that we succeeded as a state and society. Our borders, political system and economic model are no longer subject to fundamental differences and discussion, either domestically or internationally.

Now we face a **new task**: we need to strengthen the course of our **long-term development**.

## **II. TEN GLOBAL CHALLENGES OF THE 21 CENTURY**

Today humankind faces new global challenges.

I focus on ten key challenges for our country and region. To continue our path to success we must take into account each of the challenges to ensure our ongoing development.

**First challenge is the accelerating course of history.**

The course of history has **rapidly accelerated**. The world is changing at a fascinating pace.

Over the last 60 years the **population of the Earth tripled** and will reach nine billion people by 2050. During the same period the **world's GDP** has increased **11 fold**.

The accelerating global course of history always opens up new opportunities for any country, and I'm proud that we have taken full advantage of them.

Over the last 20 years we have modernized all areas of our society at a very high rate. We've done things that many other countries achieved in 100 or 150 years.

However, we still have social groups that have not joined the overall modernization process. There are objective reasons for this: society still contains an imbalance that affects people's moral and social expectations.

We have to eliminate this disparity and provide all social groups with an opportunity to join the modernization process, find their adequate place in the society and take full advantage of the opportunities of the New political course.

## **Second challenge is the global demographic imbalance.**

The global demographic imbalance increases every day. Globally we are an ageing population. In 40 years the number of people above the age of 60 will exceed the number of children under 15. Low birth rates and aging in many countries inevitably cause problems on the labor market, including workforce shortage.

Growing demographic imbalance generates new waves of migration and increases social tensions. In Kazakhstan, we face migration pressure in certain regions of the country where illegal immigrants destabilize local labor markets.

We also should realize that we are very likely to deal with a reverse process – outflow of our labor force. We are a young nation. The average age of our country is 35 years. This provides us with a great opportunity to capitalize on our human potential and rightfully position ourselves in the world.

So today we possess a substantial base to rely upon and grow further.

Anyone searching for a job in our country can get employed. Moreover, everyone in Kazakhstan is able to generate a new job and take care of him or herself. That is our great achievement.

I am leading you to a universal labor society where the unemployed will not just receive benefits, but will master new occupations, where disabled will be able to actively engage in creative activities and companies will ensure decent working conditions.

Our youth should study, acquire new knowledge, master new skills and efficiently and skillfully deploy new technologies and expertise in their daily life.

## **Third challenge is the global food security threat.**

High rates of global population growth are contributing to the global shortage of food.

Today millions of people starve; nearly a million people face constant food shortages. Without revolutionary changes in food production, these figures will only keep growing.



This shortage in food presents a great opportunity for Kazakhstan. We have great opportunities in terms of that challenge.

We are already among the top grain exporters in the world. We possess vast “green” territories that are capable of producing eco-friendly foodstuffs.

To make this great leap forward in farm production we will need a new type of thinking in our state.

#### **Fourth challenge is the water shortage.**

Global water resources are also under great pressure.

In the last 60 years global demand for drinking water supplies has increased eight fold. By the middle of this century many countries will have to import water.

Water remains a limited resource, so the fight for acquiring water is already becoming a critical geopolitical factor causing tensions and conflict in the world.

Kazakhstan also faces an acute water supply issue. We lack high-quality drinking water. A number of regions face drinking water scarcity.

There is a geopolitical aspect to this issue. We are already facing a serious issue of trans-boundary river use. Given the complexity of this problem, we should avoid politicizing it.

#### **Fifth challenge is the global energy security.**

All developed countries are increasingly investing in alternative and green energy technology. Estimates indicate that by 2050 their usage will help generate up to 50% of the entire energy consumed.

The era of hydrocarbon economy is coming to its end. We face the beginning of a new era where human activities will be based not so much on oil and gas, but on renewable energy sources.

Kazakhstan is one of the key elements of global energy security.

Having world-class oil and gas reserves, our country will not depart from its policy of reliable strategic partnerships and mutually beneficial international cooperation in the energy sector.

## **Sixth challenge is the exhaustion of natural resources.**

Combined with unprecedented population and consumption growth and the finite level of natural resources this will fuel both positive and negative outcomes.

Kazakhstan has a number of advantages in this regard. We have been blessed with abundant natural resources and other countries will need to rely on us for their resource needs.

It is critical that we reconsider our attitude to our natural wealth. We need to learn how to properly manage it, saving our export revenues and, most importantly, transforming our natural resources into sustainable economic growth that delivers maximum efficiency.

## **Seventh challenge is the Third industrial revolution.**

Mankind is at the threshold of the **Third industrial revolution** that will change the very notion of production. Technological discoveries are radically **changing the structure and needs of international markets**. We now live in a completely **different technological reality**.

Digital and nanotechnology, robotics, regenerative medicine and many other kinds of scientific progress will become an ordinary part of life and transform not only the environment, but also human beings.

Kazakhstan should actively seek to engage in these processes.

## **Eighth challenge is the growing social instability.**

One of the greatest problems in the world today is the **increasing social instability**. Its root cause is social inequality.

Today over 200 million people in the world fail to find jobs. Even the European Union faces unemployment – with the highest rates in decades – provoking massive civil unrests.

When we look at global employment conditions, we need to admit that the situation in Kazakhstan is in a pretty good shape. We have the lowest unemployment rate we have ever had in our history. Undoubtedly, it's a great achievement. Yet we cannot rest on our laurels.

The global economic crisis is transforming into a socio-political one, which will inevitably affect Kazakhstan and test our durability. Therefore one of

the key issues on our agenda is social security and social stability. It is important that we strengthen **our social stability**.

### **Ninth challenge is the crisis of our civilization's values.**

The world is undergoing an acute crisis of outlook and values. We increasingly hear voices heralding the clash of civilizations, the end of history and the failure of multiculturalism.

It is critically important that we stay away from this kind of discourse, preserving our time-tested values. We know exactly how we turned what was called our Achilles heel – multi-ethnicity and multi-religious reality – into an advantage.

We must learn to live in **co-existence of cultures and religions**. We must be committed to **dialogue between cultures and civilizations**. Only **in dialogue with other nations** our country will be able to **succeed and gain influence in the future**. In the 21st century Kazakhstan must strengthen its position of a regional leader and become the **bridge for dialogue and interaction between East and West**.

### **Tenth challenge is the threat of a new global destabilization.**

We are all witnessing what is happening today in the world. This is not a new wave of global destabilization, but the **continuation of 2007-2009 financial crisis**, from which the world economy has not yet recovered.

The Global economic system may fail again as soon as 2013-2014, due to a fall in global commodities prices. Such scenario is highly undesirable for Kazakhstan.

A recession in the EU and/or USA might lead to reduced demand for commodities in developed countries. Potential default by even one member of the Euro zone might provoke a “domino effect” and bring the safety of Kazakhstan’s international reserves and stability of our export deliveries into question.

The reduction of currency reserves exacerbates the pressure on the currency rate and inflation, which again might have a negative impact on social and economic situation.

Therefore we must develop a **sound and coordinated policy** for all power branches, for the state and society, to be fully prepared for any economic downturn in the international arena.

### III. STRATEGY KAZAKHSTAN 2050 – IS A NEW POLITICAL COURSE FOR NEW KAZAKHSTAN IN A FAST CHANGING WORLD

#### The new paradigm of challenges

Fellow Citizens!

The paradigm and challenges have changed significantly.

The frameworks of Strategy 2030 are no longer sufficient for us to meet the new challenges. It is crucial for us to expand our **planning horizon**, and make another leap forward in our world outlook.

**Firstly**, Kazakhstan is a modern state. Our society has matured. Therefore today's agenda is different from the one we had during our initial stages of development.

The nature and profound change of the transformations across the globe require sustainable long term development. Many countries are already trying to look beyond the 2030s and 2050s. "Managed forecasting" is becoming an important development tool for states in today's unstable times.

**Secondly**, Strategy Kazakhstan 2030 was developed for the period of formation of our sovereignty. Its basic parameters have been accomplished.

**Thirdly**, we are being forced to live up to the challenges and threats of a new reality. They are universal in nature and affect all countries and regions.

When we were developing our 2030 strategy no one assumed that the world would face an unprecedented global financial and economic crisis, which would create new, totally unexpected, economic and geopolitical circumstances.

Back in 1997 the Strategy 2030 was being developed as an **open** document. The possibility for correction has been incorporated in it from the outset

Being aware that the situation in the world is changing and this might lead to adjustments, I have instructed a working group to be formed that has tracked our status and worked out a viable strategy under these new economic conditions.

Taking into account the working group's recommendations, I suggest we set a **new political course for the nation until 2050** that builds on tasks set by strategy 2030. We must realize clearly that time and conditions will bring their own adjustments to our plans, as they did to 2030 program.

**2050** – is not merely a symbolic date.

This is a real timeline adopted by the world community. The United Nations developed the Global Forecast on “Future of civilizations” until 2050. Food and Agriculture Organization issued a forecast report until 2050. More and more countries are developing and adopting long term strategies. The same horizon for strategic planning is set in China.

Even large transnational companies prepare development strategies half a century ahead.

15 years ago, when the Strategy 2030 was adopted, the first generation of citizens born after the independence was just about to go to school. Today they are already working or graduating from universities. In two to three years we will witness the second generation of Independence.

Therefore, in order to set them in the right direction, it is important for us to start thinking now.

Our main goal is to enter the club of top 30 most developed countries of the world.

**Our achievements and our development model must become the basis of the New political course.**

Strategy Kazakhstan 2050 will integrate with our previous strategy and will answer the question: **who are we, where are we going and where do we want to be** by 2050? I am sure that the **young generation is interested in exactly that.**

Considering all of this, I offer a **draft of a new political direction for the nation until 2050. This will be my Address to the nation of Kazakhstan.**

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**Where are we going? Goals of the New political course**

By 2050 Kazakhstan must **enter the top 30** club of **most developed states** in the world.

**The competition among developing countries** for a place in that club **will be intense**. The nation must be ready to face changes in the global economic climate, realizing clearly that the desired spot is guaranteed only to those with the strongest economies.

We must work with dedication and inspiration, not losing sight of our primary objectives:

- Further developing and strengthening **statehood**.
- Transitioning to **new principles** of economic policy.
- Comprehensive support for entrepreneurship will be a leading force for the national economy.
- Forming the **new social model**.
- Creating modern and efficient **education** and **healthcare** systems.
- Increasing **accountability, efficiency and functionality** of the state apparatus.
- Setting adequate **international** and **military** policy that is responsive to new challenges

Today I will also outline the **primary tasks for 2013** that will ensure the **successful start** of the New political course 2050.

In accordance with these tasks the Government will need to immediately develop the **National action plan for 2013**.

This important document must include all specific orders and provide for personal responsibility of the heads of **executive, legislative and judicial** branches of power. The Presidential Administration must take the preparation and further implementation of the strategy under special control.

I would now like to give **my own vision** of the major directions of the **Strategy Kazakhstan 2050**.

# 1. ECONOMIC POLICY OF THE NEW COURSE – ALL AROUND ECONOMIC PRAGMATISM BASED ON THE PRINCIPLES OF PROFITABILITY, RETURN ON INVESTMENT AND COMPETITIVENESS

## Universal economic pragmatism

The essence of economic policy of the New course – is universal economic pragmatism.

What does this mean?

**First.** Adopting all economic and managerial decisions based purely on economic feasibility and long term interests.

**Second.** Defining new markets where Kazakhstan can participate as an equal business partner and create new sources of economic growth.

**Third.** Creating a favorable investment climate to help build economic capacity, profitability and return on investments.

**Fourth.** Creating an effective private sector economy and developing public private partnerships. We must do this by stimulating exports with state support.

## New personnel policy

A key condition of success for our 2050 policy will be the **right people to back it up**. To ensure these people are in place we must:

- Enhance the managerial resources and potential that we possess.
- Introduce modern management tools and principles of corporate governance in the public sector.
- Exploit the benefits of international divisions of labor. In particular, attract external cadre resource for implementation of some of the tasks of the New course via the outsourcing programs. We must also attract the best foreign specialists in the open market and invite them to work in our country.
- The use of managers with extensive international experience and knowledge will have a **dual effect**: we will modernize management of

our production and teach our own domestic cadres. This is a **new practice** for us.

## **Modernization of the macroeconomic policy**

### **Budgetary policy**

- We must adopt new principles of budgeting policy. We must spend only within our means and reduce the deficit as much as possible. It is necessary to build up reserves for a rainy day, ensuring Kazakhstan's safety in the long run.
- The attitude towards budgeting processes must become as careful and thoughtful, as to private investments. In other words, not a single tenge from the budget should be wasted.
- The budget of the state must be focused on long-term, productive national projects that include the diversification of the economy and development of infrastructure.

Projects for investments must be selected in a strict manner, based on feasibility and rate of return. We must keep in mind that even the most modern projects become a burden to our budget if they require expenditures for maintenance, but do not bring revenues and do not solve the problems of our citizens.

### **Tax policy**

- We must introduce a favorable tax regime for those employed in areas of production and new technologies. Whilst this work has begun I would like to see it enhanced. We must conduct a revision of all existing tax preferences and maximize their efficiency.
- We must continue the policy on **liberalization** of the tax administration and on systemizing customs administration. It is necessary to simplify and minimize tax reporting.
- We must stimulate market participants to compete, instead of searching for new ways of tax avoidance.



- Pragmatic reduction of tax supervision must minimize the dialogue between the economic entities and tax authorities. In the next **five years** everyone needs to move to electronic online reporting.
- Starting from **2020** we must introduce the practice of tax credits. In doing this our main goal will be to stimulate investment activity among entrepreneurs.
- New tax policy must be **socially oriented**. From **2015** it will be necessary to develop a set of stimulating measures, including the practice of tax exemptions for companies and citizens who invest their own funds in education and medical insurance for themselves, their families and their employees.

Future tax policy must stimulate internal growth, domestic exports and stimulate individual's savings and investments.

### **Monetary policy**

- Considering the **unfavorable global economic** environment we must ensure the safety of the earnings of each of our citizens and maintain a reasonable **inflation level** with respect to economic growth. This is not simply a macroeconomic issue, this is an issue of social security of the country. This will be the major task for the National Bank and the Government starting from **2013**.
- Kazakhstan's banks, in turn, must fulfill their purpose and meet the demand of the private sector for loans. At the same time we must not weaken our control over financial system. It is necessary to help clear banks from problematic loans and start active work on solving funding issues. For that the National Bank and the Government, under coordination from the Presidential Administration, need to develop a conceptually different and **new system of monetary policy**, aimed at providing economy with necessary monetary resources.

### **Policy of managing public and external debt**

- We must constantly monitor the **level of public debt** and keep it under control. We must reduce the budget deficit relative to GDP from **2.1%** in **2013** to **1.5%** in **2015**. **Public debt** must remain at a moderate level. This is a crucial task, because only that way we will be able to ensure the stability of our budget and national security in conditions of global instability.

- We must strictly control the **level of quasi-public sector debt**.

## **Infrastructure development**

- We must adopt a whole new approach towards infrastructure development. Infrastructure must expand the possibilities of economic growth in two key ways. Firstly we should **integrate the national economy into the global environment**, and secondly **move towards regions within the country**.
- It is important to focus attention on exit routes from the country and **create transport and logistics facilities outside Kazakhstan**. We must **think outside the box** and create **joint ventures in the region and throughout the world** - Europe, Asia, America - building ports in countries with direct access to the sea and developing transport and logistics hubs at nodal transit points. In that regard we need to develop a special program “**Global infrastructural integration**”.
- We must develop our **transit potential**. Today we implement a number of large country-wide infrastructure projects that should lead to **doubling the capacity of transit** across Kazakhstan by **2020**. By **2050** – this figure must increase **10** fold.
- Everything must be oriented towards one key goal – promoting exports **to world markets** where there will be **long term demand** for our goods and services.
- Infrastructure building must also meet the **profitability criteria**.
- Infrastructure should be built only in places where this leads to the development of new businesses and jobs.
- Within the country we must create “**infrastructure centers**”, to ensure coverage of remote regions and places with low population density with vitally important and economically necessary infrastructure facilities. Ahead of that we need to ensure transport infrastructure.
- I instruct the Government to develop and adopt a state program on infrastructure development in 2013

## **Modernization of the system of managing the state assets**

Kazakhstan is not a large economy on a global scale. And we need to manage it very effectively. The country must work as a **single corporation**, and the state must serve as its **core**.

The strength of corporate thinking lies in the fact that **all processes are considered as a whole**. Public sector managers at all levels must learn and adopt the same business thinking.

I repeat once again: **it is necessary not simply to allocate the country's budget, but to invest funds thoughtfully and accurately.**

Our main criterion for effectiveness is the **rate of return from our investments**. The quicker we build up the production potential of the country, the faster Kazakhstan will become a key player in the global market.

- **The driver** of this economic policy would be the **National Fund**.
- Resources of the National Fund should be directed at long term strategic projects. In 2013 the accrual of money in the National Fund must be continued, but we need to use those funds in a very **rational and thoughtful** manner.
- The state, represented by national companies must stimulate the development of the **economy of the future and** consider the sectors that will emerge as a result of the **Third industrial revolution**. Domestic industry must consume the **newest composite materials** that we must produce in our country.
- The state must stimulate development of transit potential in sphere of **information** technologies. We must ensure that by **2030** at least 2-3% of global information flows go through Kazakhstan. This figure must double by **2050**.
- It is necessary also to stimulate **private companies** to invest **funds in research and innovation**. I want to highlight that whilst the introduction of **innovation** is important, it **is not an end in itself**. The country can reap real benefits only where there is demand for our new technologies. In the worst case scenario innovation becomes just a waste of money.

- The policy of **selective support of specific companies and industries** needs to come to an end. We must support only those industries that execute socially important, strategic functions and can demonstrate their effectiveness.

## **New system of managing natural resources**

We must exploit resources as important strategic advantage of Kazakhstan to provide for economic growth and large external political and economic agreements:

- Already now it is necessary to accelerate as much as possible the access for our commodities on international markets, which in the case of a new financial collapse would be destabilized. Our major importers might significantly reduce the purchases of commodities, and prices could fall sharply. Our strategy will allow us to stay ahead of the curve and accumulate resources before potential market destabilization begins. These resources will then help the country overcome the hard period.
- Technological revolution changes the structure of commodity consumption. For example, the introduction of composite technologies and new types of concrete - causes depreciation of iron ore and coal reserves. This is another factor for us to accelerate the pace of extraction and delivery to world commodity markets exploiting the current global demand.
- Maintaining the status of a big player on hydrocarbon commodity market, we must develop the production of alternative energy sources, actively seeking to introduce technologies using solar and wind power. By 2050 alternative and renewable energy sources must account for at least a half of country's total energy consumption.

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If the nation wishes to have revenues from commodities in **35** years, then it **needs to start preparing now**. We need to develop a **special strategy – defining priorities and partners**, in order to plan out the work for years ahead, as this is done by all large corporations and conglomerates.

This is the **key lesson** from our own history: we started preparations and negotiations on Kashagan field almost 20 years ago, and are only now starting to see the results.

## Main directions of strategy development:

- To ensure that regions are interested in attracting investments, it is necessary to **ban the moratorium on subsurface use permits**.
- We must move from simple delivery of commodities to forming **partnerships in area of energy resource processing and exchange of new technologies**. By **2025** we must fully satisfy our internal market with fuels and lubricants in accordance with new ecological standards.
- We must attract investors to our country **only on the conditions of transfer** of modern technology for extraction and processing. We must allow investors to extract and use our raw materials only in exchange for creating new production facilities on the territory of our country.
- Kazakhstan must become the **regional magnet for investment**. Our country must become the most attractive place in Eurasia for Investments and technology transfer. This is crucially important. To do this we must demonstrate to investors our advantages.
- All extracting enterprises must introduce only ecologically harmless production techniques.

## Fellow citizens!

In the interests of the nation's future and state security, it is necessary to create a **strategic "reserve" of hydrocarbon commodities**. The strategic reserve will serve as the foundation of the energy security of the country providing another line of defense in troubled economic times

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## Plan for the next phase of industrialization

The first five year action plan of the **accelerated innovative industrialization** program will come to an end in two years time. The Government must develop a **thorough plan for the next phase of industrialization**. We need a development scenario of technological trends with high potential.

As a result the share of non-energy export in total export must double by **2025**, and triple by **2040**.

## What needs to be done for that?

- By **2050** Kazakhstan must apply the latest technology standards to **all of its production assets**
- In most competitive sectors we need to develop strategies for domestic producers on forming new market niches. This will allow Kazakhstan to avoid the potential **destructive effects from deindustrialization**, especially considering the perspectives of entering the WTO.
- **Domestic goods must become more competitive.** January 1st 2012 marked the start of the single economic area between Kazakhstan, Russia and Belarus. This is a huge market, with combined GDP of 2 trillion US dollars and 170 million consumers forcing our business to compete. Our political sovereignty remains guaranteed.
- We must develop new industries with an emphasis on expanding **export oriented non-energy sector**.
- We must focus the state program of forced innovative industrialization on **importing industrial capacity and exchanging technology**. For that we need a sub-program for **creating and developing joint international companies and beneficial partnerships**.
- By **2030** Kazakhstan must expand its niche on the world market for **space services** and bring to fruition a number of current projects. These projects include the assembly and testing facility of spacecrafts in Astana, a remote sensing space system, the national space monitoring system and ground infrastructure and our high-precision satellite navigation system.
- We need to continue the development of our **two leading innovation clusters** – Nazarbayev University and the Park of innovation technologies.
- We need to make an accelerated transition towards **low carbon economy**. To do this I suggest we create an international organization “**Green Bridge**” in **2013**, and also launch the **Green4** project based on four satellite cities around Almaty.

The upcoming **EXPO 2017** in Astana will provide a powerful impetus for transition of the country towards the “green” path of development. The world’s best achievements in science and technology will be presented in the capital of our country. Our citizens would be able to witness the “energy of the future” with their own eyes.

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Now I have raised the most **fundamental issues**, which would determine the **preparedness of the country for the Third Industrial Revolution**.

### **Modernization of the agricultural sector**

We need large scale Modernization of the agricultural sector, especially under the conditions of growing **global demand for agricultural products**.

For us to become a global leader on agricultural market and build up agricultural production, we need to:

- Increase sowing area. I note that not all countries are able to do so.
- Ensure significant rise in crop yield, primarily by introducing new technologies.
- Creating a world class livestock forage base.
- Create nationally competitive brands with a focus on eco-friendliness.

As a result I set the task before our agricultural industry – to become a global player in area of eco-friendly production.

### **Development of farming and SME in agricultural processing and trade.**

In this area we need to:

- Change the culture of farming and revive our tradition of animal breeding using the latest techniques and achievements in science, technology and management.
- Determine which products we are going to produce in large quantities to win major export markets.

- As a result of adopting these measures the share of agriculture in GDP must increase 5 fold by **2050**.
- **I instruct the Government** the following tasks for **2013**:
- Adopt a new development program for agricultural sector of the country until 2020.
- Increase state support for agriculture by 4.5 times by 2020.
- Set out the system of legal and economic incentives for creating medium and large agricultural enterprises, oriented on applying new agro technologies.
- Introduce an increased tax rate on those lands that remain undeveloped for longer than certain period since they were provided.

### **Policy regarding water resources**

It is necessary to develop a new policy regarding water resources of our country.

We need colossal volumes of water for our agricultural purposes. In this regard we must:

- Carefully examine the best practices in addressing water supply issues in other countries, such as Australia, and modify them to our conditions.
- Introduce the most advanced extraction technology and prudent use of underground water reserves that are abundant in our country.
- To move to modern water-saving agricultural technologies.

Our **society** needs to change its **overall thinking**. We must stop wasting water, which is one of our most precious natural wealth. By **2050** Kazakhstan must once and for all solve the water supply problem.

I instruct the Government to develop a **long term state program** on water, which will resolve the supply of drinking water by **2020**, and then the supply of irrigation water – by **2040**.



## 2. COMPREHENSIVE SUPPORT OF ENTREPRENEURSHIP – LEADING FORCE IN THE NATIONAL ECONOMY

**Domestic entrepreneurship** is a **driving force** in the new economic policy. The share of small and medium enterprises in the economy must double by **2030**.

### Development of small and medium enterprises

**Firstly**, we must create conditions that enable people to develop a business and become a **true participant of ongoing economic transformation in the country**, rather than wait and expect the state to resolve all the problems. It is important to raise the general level of business culture and stimulate entrepreneurial initiative.

#### For that it is necessary to:

- Encourage the pursuit of small and medium enterprises for **unification and cooperation**, and create the system that would support and stimulate that.
- Develop the internal market by **encouraging local business initiatives** and ensuring minimal, but tight regulation.
- Consider establishing new, more **rigorous system of accountability** for government officials, who create artificial barriers for businesses.
- **Improve support mechanisms for domestic producers** and take all the necessary actions for protection and promotion of their interests, considering the new reality, including our participation in Eurasian Economic Space and upcoming membership in the WTO.

We need to create the necessary conditions and prerequisites to enable individual entrepreneurs and small business to grown into **medium sized businesses**.

Unfortunately, the current tax applied to SMEs prevents their growth and development. That is why by the end of **2013** the Government needs to introduce amendments to legislation, aimed at the clear separation of such terms as micro, small, medium and large business.

At the same time, we must not increase the burden on small and medium business segments. I instruct the Government to **ban all the permits and**

**licenses** that have no direct influence on **security of Kazakhstan's citizens** and replace them with notifications by the end of first half of 2013.

On a legal basis, it is necessary to establish conditions under which business will self regulate the control of the quality of their goods and services. We need to develop a new system for the protection of consumer rights, exempting them from multilevel system of judicial decision making.

**New model of public private partnership: “Strong business – strong state”.**

**Secondly**, to build a robust dialogue on the principles of public private partnership, it is necessary to continue the process of business consolidation, which will enable wide coverage and engagement of all entrepreneurs in implementation of this new strategy.

International experience demonstrates that consolidation of entrepreneurs within Chambers is one of the important factors of economy's efficiency.

The Government together with “Atameken” Union has worked out a conceptual model of compulsory membership in the National Chamber of Entrepreneurs.

This model will ensure delegation of large powers and functions from state bodies to the newly created National Chamber of Entrepreneurs in such areas as foreign economic activity, vocational and technical education and , comprehensive service support for small business, especially in rural areas and single industry towns. The National Chamber of Entrepreneurs will become a reliable and competent partner to the Government.

In this regard I instruct the Government to develop the appropriate draft law and submit it to the Parliament in the first quarter of the year.

**New stage of privatization – changing role of the state**

**Thirdly**, the state must change its role. We need to pursue a second wave of wide scale privatization. This is not a simple step, since this would mean redistribution of **responsibilities between the state and the market**. But we must take this step in order to maintain a high rate of economic growth.

Private businesses are normally more effective than state run enterprises Therefore we must transfer **non-strategic enterprises and services** to the

private sector. This is a crucial step for **strengthening domestic entrepreneurship**.

The successful start of “People’s IPO” program became the first step in this direction. First and foremost, this is about distribution of national wealth to the people. JSC “KazTransOil” announced the placement of shares worth 28 billion tenge, demand for these shares is twice as high as supply.

### **3. NEW PRINCIPLES OF SOCIAL POLICY – SOCIAL GUARANTEES AND PERSONAL RESPONSIBILITY**

Our main goal is social security and the well-being of our citizens. This is the best guarantee of stability in a society. There is a growing need within our society for an updated and more effective social capable of meeting our current challenges.

International experience demonstrates that there is no perfect and universal model of social policy, just as there is no society where all citizens would be satisfied by the existing social system.

Addressing the issues of social security and prosperity is a difficult and very serious task related to every citizen of Kazakhstan. Therefore there should be carefully thought out approaches.

I would like to present my vision of the principles we should follow. By taking them into account, we could correct our approaches to the issues of social justice and social security.

#### **New Principles of Social Policy**

##### **Minimum social standards**

First of all, the state, especially during a global crisis, should guarantee basic social standards to its citizens

Our main goal will always be to prevent poverty growth. **Poverty should not become a social prospect for any citizen.** We should **establish basic social standards and guarantees**, which should directly depend on **economy and budget growth**.

**This should include:**

- First of all, expanding the list of individual needs with inclusion of education and healthcare items (including for the unemployed and disabled for their better socialization), healthy nutrition and healthy lifestyle, meeting intellectual and information needs.
- Calculating the costs of individual needs based on actual prices (hence the need to improve statistics in the country).
- Gradual qualitative enhancement of living standards tied to economic growth.

Meeting these standards should define the volume of budgetary financing of the entire social sphere. This will increase transparency of the budgetary processes and ensure the funds are better targeted. I instruct the Government to develop respective legislation.

### **Targeted social support**

**Secondly**, the State should render social support only to those groups who need it.

### **What needs to be done for that?**

- The State will bear full responsibility for targeted support of socially vulnerable groups: retirees, disabled, ill children and others.
- It is necessary to constantly improve social security and retirement  
Ensuring the protection of mothers and children
- We should have clear **training and retraining programs for the unemployed** tied to labor market demands. The State should render **social support for the unemployed provided that** the person under that category masters **a new profession** and attends retraining programs.
- It is important to create conditions so that **employers can actively hire** socially vulnerable parts of our society, providing them with a salary. We must create conditions so that the disabled are employed. Only those who really are unable to work should receive our social benefits. We should favor those companies and corporations that employ the disabled and create conditions for them.

## Addressing social imbalances in the regions

**Third**, we should focus on addressing social imbalance issues when it comes to developing our regions.

Poor economic performance of a number of regions impedes employment and widens the gap between rich and poor.

(1) First of all, we need to enhance **coordination among our government agencies in terms of regional development**. We aim to **synchronize the implementation of all Government and Industry programs by addressing priority issues of regional development**.

By the first half of 2013, the Government must define and budget the list of necessary and prospective projects in the regions.

(2) Over the past 12 months, we launched a **single-industry town development program**. Significant resources were allocated to create jobs, solve social problems and improve the work of local enterprises.

We will improve the quality of local government. This work is under my personal control.

At the same time, we need **new effective mechanisms of leveling of social and economic conditions** in the regions.

I instruct the Government, along with regional governors, to adopt a small town **development program in 2013**. It should become a **long-term and create a whole range of sectoral projects in their bases**. Their aim is to assist to building of a system of sectoral specialization of the regions, to become industrial and manufacturing of the satellite-towns of large agglomerations and, ultimately, increase the level of life of the local population and provide jobs for the village youth.

(3) We need to take measures to **resolve complex migration problems** that have an influence on labor markets in the regions of the country.

We need to strengthen control on migration flows from the adjacent countries.

As a prospective aim we are expected to create favorable conditions for the local qualified workforce in order to prevent their excessive outflow to the foreign labor markets.

In 2013 the Government will have to develop and approve a Complex plan to resolve the migration problems.

(4) Special attention should be paid to **Kazakhstan's border territories**. Their potential is not fully recovered yet. It is necessary to make them more attractive for living. The Government, working with governors, needs to develop a series of additional measures to develop the border regions.

### **Modernization of the labor policy**

**Fourthly**, we should modernize employment and salary policy.

(1) A key issue in the current global crisis is unemployment growth. Actual employment should be provided by all programs being implemented in the country, as the State as the Sectoral, but not only any their part. Therefore I task the Government and governors **2013 to**:

- Integrate all previous programs of entrepreneurship development and business support.
- Elaborate mechanisms of allocation of the budget funds to the regions with the high rate of the unemployed and low-income people.

I personally task the Prime Minister and governors to take responsibility for implementing this updated Program

Half a year ago after my Article "Social Modernization: 20 steps towards the Society of Universal Labor" was published in "**Trade Unions and Regulation of the Labor Activity**". Our aim is to create a new model of labor relations, combining entrepreneurship support taking into account the interests of employees.

It is necessary to accelerate adoption of the Law so that it would come into force sooner and protect interests of all employees.

(2) The Government needs to take measures to elaborate **paying labor costs** and **minimizing the existing wage disparities**.

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The most important part of this new social policy is the protection of the rights of women and children

## **Protection of motherhood. Appeal to all the women.**

Just as it is important to me personally so it is also important for Kazakhstan.

**Dear women!**

**You are a pillar of family, and therefore – a pillar of the State.**

The way our Kazakhstan develops in the future depends on the way we are bringing our children up today.

First of all, it is necessary to pay great attention to the upbringing of our daughters. They are our future wives, mothers, our heart and home keepers.

**Kazakhstan is a secular state. By providing citizens the freedom of conscience, the State, nevertheless, will rebuff attempts to impose on our society that are contrary to our traditions and legislation.**

We must create conditions so that the girls of Kazakhstan were able to obtain a quality education, good jobs and be free.

Kazakhstan has its own culture, traditions and customs. Women are an important part of our society and should not be restricted from driving cars, pursuing a career or forced to wear traditional dress that has never been worn in Kazakhstan.

Our people emphasize that: “A girl’s path is fragile”. A girl’s path, a daughter’s path is fragile, you can’t break it. A girl, a woman has always being an equal member of our society, and a mother is our society’s most respected figure. We must **return unconditional respect to the woman – the mother, wife, daughter.**

We must protect the rights of women. I am worried with the situation about growth of the domestic violence against women and children. There should be no disrespectful attitude to a woman and violence should not be tolerated.

The State should intervene to stop blatant cases of sexual slavery, attitude to a woman as commodity.

There are a lot of broken families in our country. The State should help singles mothers. We should provide women with flexible employment schemes and create conditions to work at home. The Law, State and I will be on the side of our women. We will create conditions so that women's roles in the life of our country can grow. The modern Kazakhstan woman should pursue her career.

It is necessary to actively involve women in the State and public governance, especially on the ground in regions.

### **Children's rights**

In the peacetime we have thousands of orphans, our orphanages and shelters are overcrowded. Unfortunately, this is a global tendency and challenge of globalization. But we must withstand this tendency. Our State and society must encourage orphans adoption and building the family-style orphanages.

The number of cases of an extremely irresponsible attitude of men to women and children grows. This is not typical to our traditions and culture.

Children are the most vulnerable and unprotected part of our society and they **should not be deprived of their rights**.

As the Leader of Nation I demand the protection of the rights of every child.

**Any child born on our land is a Kazakhstan citizen. And the State must care for them.**

I am against divorce, it is necessary to educate our youth in the spirit of family values. "If the father cannot herd the sheep, the son cannot herd the yearling". Upbringing the children is task of both parents, not only mother's.

But when divorce must occur it is the father's duty to pay alimony. The State should support the single mothers and toughen the punishment for nonpayment of alimony.

Upbringing the children is huge investment into future. We should have precisely this approach in this issue and aspire to provide our children with the best education.

I have applied lots of efforts to provide the growing generation with large opportunities to gain a better education: the "Balapan" program is under implementation, Intellectual Schools, Nazarbayev University, "Bolashak"



program are operating. As you may know, they can be attended only by well prepared or talented children. Preparing a child to this level is a parents' duty.

The "All the best to the children" slogan must become a principle for all parents.

I instruct the Government:

- To drastically review the legislation in the sphere of motherhood and childhood protection as well as family and marriage.
- Toughen punishment for crimes against women and children the and for infringing related legislation, including the most minor cases.
- To reform the family support system that includes material and non-material incentives such as benefits in taxation, healthcare and social services, providing new opportunities in the labor market and similar measures. We must get rid of a parasitical behavior and help women with an active life believe in their strength and abilities.
- Prevent gender discrimination and work to provide the gender equality and equal opportunities for women and men. In this case I first of all address the employers.

### **Health of the nation is basis of our successful future**

Our healthcare modernization requires us to introduce common standards of quality of medical services and improve and unify the equipment and supply of medical institutions.

### **Key priorities in healthcare**

- To provide affordable medical services at high standards of care.
- To provide **diagnosis and treatment** of a **wide range** of diseases.
- **To develop a better system of preventive medical care**, placing a larger emphasis on the provision of information to the population about standard forms of illness and their prevention.
- Introduce services such as **smart medical care**, **distanced prophylaxis** and treatment, and **electronic medical care**. These

new types of medical services are in high demanded in a country the size of Kazakhstan.

### **New approaches in healthcare for children**

- **Introduce new approaches in healthcare for children under the age of 16.** It is necessary to fix it in the **minimum standards of life by the Law**. This step will be an important contribution into provision healthcare of the nation.

### **Improving medical education system**

- Improve Kazakhstan's medical education system through the development of a network of specialized educational institutions integrating everyday practice as much as possible into the education process.
- Place a higher degree of importance **to the practical scientific and research component (R&D) of the medical schools' activity. Higher education institutions should particularly** concentrate on global knowledge and technological achievements replicating a system of university hospitals, like in the US, which are the largest and most effective medical centers. We must develop **public-private partnerships in this area too.**
- Create conditions for the private medical care growth. In the developed world the significant part of the medical service is provided by the private sector. We should create conditions for a rapid transition to private hospitals and polyclinics.
- Enshrine in Law **international accreditation** of the medical schools and institutions.

### **Quality of medical care in rural areas**

Despite making up over 43% of our population the quality of the medical care in rural areas remains poor

### **Physical training and sports**

Physical training and sports should become a special area of interest for the State encouraging **healthy lifestyle as the key to a healthy nation**. We must address the shortage of sports facilities, infrastructure and equipment in our country making these affordable for all. In this regard the Government and local authorities should take measure for development of

physical training, mass sports and the construction of physical training facilities basing on model projects, including those in the yards. This work should commence in 2013.

#### **4. KNOWLEDGE AND PROFESSIONAL SKILLS ARE KEY LANDMARKS OF THE MODERN EDUCATION, TRAINING AND RETRAINING SYSTEM**

**In order to become a developed and competitive nation we must become a highly educated nation.**

In the modern world the simple embracing literacy is clearly not enough. Our citizens must be ready to permanently gain new working skills on the most advanced equipment using the most modern production techniques.

We must also place a large level of importance to the functional literacy of our children, and the growing generation as a whole. It is important that our children are well adjusted to modern life.

#### **Our priorities in education**

##### **Extending “Balapan” program until 2020**

(1) As in the whole world, Kazakhstan needs to shift to new methods of the preschool education, You may know that I have initiated **the Balapan program**, the main aim of which is to equalize the starting opportunities of our children. Since implementation **3 956** new kindergartens and mini-centers were introduces.

Taking into account Kazakhstan’s continuing demographic growth into account, **I have decided to extend the Balapan program till 2020**. I task the Government and governors to achieve the 100% coverage of children by preschool education and training.

##### **Developing engineering education system**

(2) Taking the “Kazakhstan 2050” policy into account I task the Government, starting from 2013, to development an engineering educations system that provides educations in modern technical specialties with international standard certification.

Vocational and higher education should be oriented to the **current and prospective demands of the national economy in**. This will assist in resolving employment issues for the population.

Higher education institutions should not limit themselves to purely educational functions. They should create and improve their applied science and R&D divisions.

Those higher education institutions that have been guaranteed the academic autonomy must not limit themselves to improvement of their curricula and must actively develop their R&D activities.

### **Developing system of social responsibility in education**

(3) The social responsibility of the private business, non-government and charity organizations should be demonstrated in the sphere of education.

We must focus first of all, on providing assistance to youth who are unable to pay their education, in gaining worthy education.

It is necessary:

- To create a network of the public-private partnership for development of the higher and medium education.
- Develop an a multistage system of the education grants.
- Create a specialized education system of the R&D and applied education including regional specializations across the whole country.
- To fix in Law the obligatory production practice at enterprises starting from the second course of education.

### **Modernization of teaching methods**

(4) We expect to implement modernization of teaching methods and actively develop online education systems, creating regional school centers.

- We should intensively introduce innovative methods, solutions and tools into the home, including the distance education and online education that is affordable for all.
- Remove outdated scientific and educational disciplines, with simultaneously improving demand in new areas.

- To change directionality and accents of the curricula of the medium and higher education, including teaching practical skills and gaining practical qualifications.
- Create entrepreneurship oriented curricula, educational courses and institutions.

### **New innovative research development policy**

As the global experience demonstrates, recreating the whole innovative production cycle in a separate country means reinventing the wheel. It is a very expensive and not always fruitful, productive activity.

A separate scientific base founded on the experience of generations of scientists, terabytes of information and knowledge and historically established scientific schools is needed for the success.

**Not all countries are able to stay on the edge of new technological wave, to create absolute innovations. This is what we have to clearly realize.**

**Therefore we should establish a realistic and pragmatic strategy.**

We must concentrate on the non-capital-intensive research and development.

### **Technology transfer**

We must transfer the necessary technologies and training the specialists for their implementations. EXPO-2017 must give an impetus to this process and help us to elect the newest technologies for development of the future energy.

We are a young nation and we will make it.

Besides, we can actively participate in **large-scale international R&D projects**. This will enable us to **integrate** the efforts of our scientists with Foreign R&D specialists on strategic innovative directions. Our aim is to become a part of the global technological revolution.

### **Cooperation of science and business**

- In 2013 we must take measures to gain the full **cooperation of science and business**. I task the Government to unveil the

intersectoral areas with the technology transfer ability and to create a demand from the large subsoil users and national companies.

### **Roadmap of development prospective national clusters**

- Develop clear **Roadmaps of development for prospective national clusters**.
- Accelerate legislation defining private-public partnerships. Our aim is to introduce the most advanced tools and mechanisms of these partnerships.
- Revision legislation that regulates copyrights and patents. The Government should analyze all previously issued patents and registered copyrights by 2014 for their probable commercialization.

### **Fellow citizens!**

I would like to especially address to our youth.

My announcement today of a new political and economic course is aimed to provide you with the best possible education, which will mean an even better future.

I rely on you, the new generation of Kazakhstan. You should become a powerhouse of this policy.

As the Head of State I have done my best to provide you with all necessary conditions for your education and growth. I have created a world class University, intellectual school and established the Bolashak program.

A new concept of the Youth State Policy is underway. All conditions will be created for you.

The State makes everything to open new opportunities for you. Today you have opportunities your parents wouldn't even dream about.

**Remember: your personal success** is success of your parents, the success of your relatives, the success your families, the success of all your fellow **citizens and most of all the success of our Homeland**.

## 5. FURTHER STRENGTHENING OF THE STATEHOOD AND DEVELOPMENT OF THE KAZAKHSTAN DEMOCRACY

### New type of state governance

Our aim is to create a new type of public management. It must meet the new tasks of **servicing society** and **strengthening the state**.

### Improving system of state planning and forecasting

We need to further improve the State planning and forecasting system. I set a task to improve the state bodies' responsibility for the plans and programs development. In this regard I task the Government to:

- Consider my vision of the Kazakhstan 2050 development strategy. Revisit the Strategic documents along which the country works and lives.
- Elaborate on the introduction of a State audit concept and submit to Parliament a respective draft law next year. Our objective should be to create a state audit system based on the most advanced examples of world experience.
- In order to get our economic strategies implemented, the State should effectively anticipate crisis situations and **withstand them**. **This requires us** to create a multilevel anti-crisis system.

We should have standard action packs for probable crisis situations. This is especially important for the regions. As this system is developed it will be necessary to consider all the challenges I have mentioned.

### Decentralization of power

#### Dividing responsibilities and power between center and the regions

We should continue with our plans for decentralization of governance to the regions.

The substance of the decentralization lies in delegating the necessary resources to make decisions from the center to regional authorities. In 2013 we have to implement concrete measures for moving **responsibility and powers from the center to the regions in order** to strengthen local executive authorities.

Powers of the authorities on the ground will be supported by financial and human resources.

### **Development concept of local self-governance**

Citizens should be directly involved into the process of making the state decision and in helping with implementation. Through local authorities we need to provide the population with a real opportunity to independently and responsibly resolve the local-scale issues.

I have approved the Local self-governance development concept. It will allow us to increase the management quality at the rural level and expand citizens' participation in the local-scale issues.

### **Election of the rural governors**

We will provide villages, rural governors with **additional powers** to **improve their influence** on the situation in villages.

However, at the same time we need to **improve public control and citizens' influence on the situation on the ground**. Therefore I decided to introduce **appointment by election of the rural governors** through local councils. We will start the elections in **2013**.

**In total 2533 governors will be elected, including governors of rural districts, villages and 50 governors of towns of regional significance.**

**This makes 91.7% of governors of all levels! Thus election process will cover all governors who directly work with citizens and resolve the problems on the ground.**

It's now time for the citizens to get actively involved in resolving the relevant issues on the ground supporting their local authorities to do so.

I task the Government jointly with my Administration to accelerate the **necessary legislative acts**, and the Parliament to provide their acceptance **in the priority order**.

We should follow the civilized path, together with the whole world and to take a course towards **further democratization of the society**.

We should continue our policy of **strengthening the Parliaments powers**.



At the same time, decentralization should not be assessed exclusively as a process of creating new bodies of power at the local level, to transfer certain powers there.

Decentralization first of all is a qualitative change of the state management system, change of the resolution system for the local-scale level.

Simultaneously, **decentralization should not lead to the weakening of the vertical of power**, decreasing of the executive discipline and order. We can't let that happen. Governors on the ground, the Government should keep that under special control.

### **Creating a professional state apparatus**

We expect to create a professional state apparatus, for which, according to the principles I have announced today, service to the people and State is paramount.

We should qualitatively improve the personnel of the public service through introduction of improved methods of selection and professional training.

Decision makers at the State level should meet the following requirements:

- Be accountable for not only the short-term, but also the long-term results.
- Be accountable for the multiplicative effect of the management decision.
- Align with the fair competition rules and freedom of entrepreneurship.
- Exclude double interpretation of the functional duties of public servants. Clear legislative regulation of their activities.

### **Second stage of the administrative reform**

**Considering the new requirements we already have started the second stage of the administrative reforms.**

First of all the state apparatus will be reformed. I have signed the "New Public Service" Law. This provides improvements to counter corruption, increase the transparency of the selection of public servants selection, and promote the best personnel.

We will create a National Personnel Policy Commission. A principally new class of professional managers of A-class will be created, which will be responsible for implementation of certain areas of the state policy. First of all the A-class will include the Responsible Secretaries and Heads of Administrations of regional authorities, Committees' chairmen, governors of the regions and towns. I task my Administrations to prepare a draft Order regarding qualification requirements to the A-class candidates,

From now on every public servant has to demonstrate clear progression in their career through the development of skills and experience that allow as them to increase their professional level. Exceptions should be made to cover those public servants who demonstrate outstanding performance against key indicators and demonstrating clear achievement at a senior level.

I task the State Service Agency to introduce by the end of 2013 this new mechanism of career promotion for state civil servants.

Special consideration should be made on increasing the quality of state services. Our aim should be to signal a departure from the one-way power approaches in interaction of the state with the population towards an effective and operative provision whereby citizens and the state work together.

The draft "State Services" Law has been submitted to the parliament. It should be adopted by the end of 1<sup>st</sup> quarter of 2013.

We should release the state bodies from the extrinsic functions, and increase the independence of state institutions. The Government should link its implementation with the introduction of a new mechanism of local budgets from 2014.

### **New system of interaction between state apparatus and business community**

State apparatus should develop a new system of interaction with the business society

We should not intervene in business and "lead everyone by their hands". We should provide businesses with confidence in the future. Entrepreneurs should reckon their abilities and know that the State will not cheat but will protect. All that is requested from entrepreneurs is a fair work.

I assume that we have to, firstly, to **guarantee de-facto immutability of the private property rights**. Secondly, it's necessary to **guarantee the contracted liabilities protection**.

The liability of the State is **to provide the citizens with maximal opportunities to implement their business activities**. This means caring about creating the infrastructure for the homeland business.

(1) For these aims it is necessary in 2013 to start the next stage of **modernization of the national legal system**.

The legislation should not only protect national interests, but synchronize with the developing international legal environment. I task the Government to adopt systemic measures to **increase the competitiveness of our legal system** in all its basic sectors of as the public, as the private rights.

(2) I task the Government jointly with my Administration in 2013:

- To start **reforming the Criminal as well as Criminal Proceeding legislation**. An emphasis should be made on further humanization, including decriminalization of economic infringements;
- To prepare and submit to the Parliament drafts of **4 new Codes: Criminal Proceedings, Criminal Executive and Administrative Infringements Code**. Adopting these key legislative acts will conceptually modernize the criminal legal proceedings system and above all – the criminal policy of the State, it will raise our rights to a level, allowing to adequately react to the modern challenges.

### **Introducing “zero tolerance” principle towards disorder**

The State should be bound to the zero tolerance policy towards disorder. Developed society starts from discipline and order everywhere: comfortable doorways, accurate backyards, clean streets and friendly faces.

We should not tolerate even the smallest infringements, hooliganism, and incivility as they disturb public order and decrease the quality of life.

Feeling of disorder and permissiveness creates grounds for more serious crimes. **This is why an atmosphere of intolerance to minor infringements** is an important step towards enhancing social security and the fight against the crime.

We need to overcome ignorance of the law and engage society in the public order preservation process.

We need to connect destructive social behavior with employment opportunity. We must **introduce punishment measures for hooligan behavior in public places** that will be reflected on their criminal files and should be considered by business at employment and promotion.

This must become a normal part of public life

### **Fight against corruption**

The State and society should come forward against the corruption as a united team.

Corruption is not just an infringement, it undermines the belief in effectiveness of the State and represents a **direct threat to the national security**.

We should strengthen our fight against the corruption, including improving the anti-corruption legislation in order to achieve our ultimate goal – to eradicate corruption within Kazakhstan.

### **Reforming law enforcement bodies and special agencies**

We should continue reforming the law enforcement bodies and special agencies. Without this we will not reach our aim to create “zero tolerance” towards disorder and the eradication of corruption.

(1) In the recent three years a number of important reforms of the law enforcement bodies and special agencies were undertaken. This is an important step towards strengthen statehood. The legal basis of law enforcement bodies has been enhanced and their functions clearly defined. Duplication of their activities has been excluded, and the criminal policy humanized.

Total attestation of all law enforcement personnel has been undertaken. 12.5 thousand out of 100 thousand people has been unable to pass the test and were dismissed.

(2) We will further continue this work.

I task my Administration jointly with the Security Council and the Government:

- To prepare an action plan to increase the pay and retirement benefits of law enforcement employees. I task them to increase additional payments for special ranks up to one-month salary according to their military ranks.
- To elaborate the personnel policy concept of the law enforcement bodies;
- To create a **permanent personnel policy body** for the law enforcement authorities based on the Supreme attestation commission;
- Create Presidential reserve of leaders of the law enforcement bodies and special agencies.

(3) I task my Administration, Security Council jointly with the Government to establish a cross-department task group by the end of 2<sup>nd</sup> quarter of 2013 to elaborate on the draft **Program of further modernization of law enforcement system**.

(4) The crucial issue of legal policy is to ensure that citizens use their rights for judicial protection, which is guaranteed by the Constitution.

For that we need to simplify the process of finding justice, by eliminating unnecessary bureaucracy. With active introduction of new information technologies this will not be hard to achieve.

At the same time, in order to ease the burden on courts we need to further develop institutions of outside the court dispute settlement. We need to install the mechanism that would allow settling small disputes outside the courts.

(5) It is necessary to implement a large-scale reform of the Border Service. The aim is to improve its **effectiveness, modernize its stockpile and technical capability**.

In this regard I task the Security Council jointly with my Administration and the Government to prepare a special development plan of the Border Service and equipment of the state frontier.

## **6. CONSISTENT AND PREDICTABLE FOREIGN POLICY IS PROMOTION OF NATIONAL INTERESTS AND STRENGTHENING OF REGIONAL AND GLOBAL SECURITY**

Over the last 20 years Kazakhstan has matured as a full-fledged participant of international processes and we have managed to create favorable external conditions.

Our priorities **remain unchanged** – development of partnerships with our neighbors – **Russia, China, Central Asian countries** as well as **the USA, European Union and Asian nations**.

We will further strengthen **the Custom Union and the Common Economic Space**.

Our next aim is to create a Eurasian Economic Union in consensus with our partners whilst respecting full political sovereignty

Our **balanced foreign policy means we are developing friendly and predictable relations with all states and playing a significant role in the global agenda that represents the interests of all Kazakhstan**.

Nevertheless, **the international situation and geopolitical environment has changed dramatically**.

**In some circumstances this has not been a favorable change**. There is a giant arc of instability from Northern Africa and the Middle East to North-East Asia. Given these changes that the role of the regional security mechanisms has increased. Organizations such as the UN, OSCE, NATO, CSTO, SCO, CICA and others gain greater importance.

New national security threats have appeared in Central Asia. Just as we have sought to modernize our domestic policy we need to consider the impact of regional and global changes and modernize our foreign policy.

### **Foreign policy modernization priorities**

- Strengthen regional and national security by all means;
- Actively develop economic and trade diplomacy;
- Intensify international cooperation in cultural, humanitarian, scientific and education fields;

- Enhance the legal protection of our citizens and their personal, family and business interests abroad;

### **Development of economic and trade diplomacy**

**Firstly**, the foreign policy promotion of the national interests should be based purely on **pragmatic principles**.

Our aims are to diversify our foreign policy and develop economic and trade diplomacy to protect and promote national economic and trade interests.

### **Strengthening regional security**

**Secondly**, we should further understand our responsibility for regional security and make our own contribution to the **stabilization of the Central Asia**.

Our aim is to help **eradicate the prerequisites** of conflict situations in the region as much as possible.

- The best way to stabilize the region is through **interregional integration**. In doing this we can decrease the conflict potential of our region, resolve vital social and economic problems and address water, energy and other contradictory issues.
- Our voice should be heard in the whole world. Therefore during the Astana economic forum I suggested a new dialogue format, which we named G-Global.

No single country in the world can overcome the contemporary challenges we all face. The essence of my initiative is to unite all efforts to establish a fair and safe world order.

### **Contribution to global security**

**Thirdly**, our country should **support progressive international initiatives** and make **its contribution to global security**.

- Together with all interested partners and our neighbors Kazakhstan will strive for immediate political stabilization and restoration of Afghanistan.

- As an influential OIC participant Kazakhstan is genuinely interested in a peaceful solution to the Middle East conflict. It is important that the released energy of people in the Arabic Islamic world is used for creative purposes and serves to resolve the social and economic problems of the region.
- We should bring ourselves economically closer with **Asian Pacific** countries at an accelerated pace. Not only will it provide us with economic dividends, but will strengthen the equilibrium of our foreign policy.

### **Strengthening national defense capacity and military doctrine**

**Fourth**, Kazakhstan should **strengthen its defense capability and military doctrine and engage in various mechanisms of defensive containment.**

- By developing a national defense model we will cooperate with various **countries and organizations.**
- Kazakhstan will closely interact with its **CSTO allies** and foster the improvement of potential and military capability of Collective Rapid Reaction Forces

## **7. NEW KAZAKHSTAN PATRIOTISM IS BASIS FOR SUCCESS OF OUR MULTIETHNICAL AND MULTI-CONFESSIONAL SOCIETY**

Our main aim in this direction is simple and clear: we should **preserve and strengthen the public consent.** It is a priority condition for our existence as a State, as a society and as a nation.

**The basis of patriotism in Kazakhstan is equal rights for all citizens based on their share of responsibility for the honor of our homeland.**

This year at the **London Olympic Games** our team finished 12th in the medal rankings of 205 national teams. Our athletes have performed as one team representing a multi-ethnic Kazakhstan, demonstrating a strong and united family of numerous ethnicities.

The Olympic triumph has further united our people, demonstrating the **great value of patriotism.** Mass sports and sports of the highest achievements require a complex systemic approach; after all only a healthy nation could be competitive.



I task the Government to develop a Program of development of mass sports and sports of the highest achievements, taking into account international best practice

### **New Kazakhstan Patriotism**

One can not build a full grown state without its confidence in the future. It is vital that the objectives of the State and citizens coincide in all directions. This is precisely the task the State should set forth.

Citizens trust the State if only there are prospects and opportunities for development including personal and professional growth. The state and the people should understand this and work together.

We should instill a **new Kazakhstan patriotism** in ourselves and in our children. We must take pride in our country and its achievements. But today at a new stage of the matured state this understanding is not enough. We should pragmatically review this issue.

We love our country and we are proud of it, if the State guarantees quality of life, security, equal opportunities and prospects for each citizen.

It is this approach that provides us with a pragmatic and realistic vision of patriotism and its education.

By 2050 we need to build a political system that each citizen of Kazakhstan would be firmly confident in the future.

Our children and grandchildren should also prefer to live at the homeland, because it is better for them here than abroad. **Each citizen of Kazakhstan should understand they are a part of this land and our people.**

### **Equality of citizens of all ethnic groups**

We are all Kazakhstan citizens, having equal rights and equal opportunities.

The new Kazakhstan patriotism is something that should unite all of society without any ethnic differences.

We are a multiethnic society there should be no double standards when it come to interethnic relations.

All citizens should be equal in the eyes of the State no one should be discriminated against on the basis of ethnicity or other features.

This issue for me is not negotiable. **If anyone in our country is discriminated against then we should assume that all Kazakhstan citizens are discriminated against.**

**There should not be any preference given to any ethnic groups. Our rights and liberties should be universal – they apply to all of you.**

We are building a society with equal opportunities, a society where everyone is equal before the Law. We should never allow a thought that college enrollment, employment or career promotion could be influenced by someone's ethnicity.

I demand that the Government and governors bring **order to our labor policy**. Only the best should be employed – especially in local government – irrespective of ethnicity. If people must be judged on single criteria it is this: they must conform to the highest standards of ethics and professionalism. We must fix the lopsidedness evident in hiring process of the ministries and local administrations at all levels.

**There should be no “unnecessary” or “aliens”, “ours” and “theirs” in our society. We cannot leave behind a single citizen of our country. Every Kazakhstan citizen should feel the support of the authorities.**

**Whoever attempts to “drive a wedge” into the interethnic harmony of the nation should be prosecuted by Law.**

And here we Kazakhs bear a **special responsibility**.

We must understand that the epoch of single-ethnic states has gone.

Kazakhstan is our land. It is a land that has belonged to our ancestors. The land that will belong to our descendants. We bear a direct responsibility for the peace and harmony of our land.

We must be the true owner of our land – hospitable, friendly, generous and tolerant.

If we want to see our country as a strong and powerful state, we should not rock the boat that would destroy peace and order, which are fragile.

We should not let anyone sow dissention and fear on our blessed land.

You should remember my demand and the demands of time – to live in peace and harmony. There are lots of various powers in our country and abroad, those want to play a game of “interethnic split”, who want to blow up our harmony from inside and prevent the strengthening of our state.

Don't follow their ideas!

We should improve, we should be worthy people, then our history culture, tradition and language will be respected..

### **Kazakh language and three-side unity of languages**

Responsible language policy is one of the consolidating factors of Kazakh ethnicity.

(1) **Kazakh language** – is our spiritual pivot.

Our aim is to develop the Kazakh language actively using it in all areas. We should develop a modern Kazakh language as a legacy heritage for our descendants, harmoniously integrating the experience of generations of our ancestors with our visible trace.

The state does a lot to strengthen the positions of our State Language. It is necessary to continue implementation of the measures complex to popularize Kazakh language.

From 2025 we need to modernize our language to use Latin fonts and a Latin alphabet.

For the sake of the future of our children we should make this decision and create it as a condition of entry for our wider global integration. This will enable our children to have a better understanding of the English language, the internet and reinforce our desire to modernize the Kazakh language

We should conduct **modernization of Kazakh language**. It is necessary to make the language modern, to look for consensus in terminology issues, forever resolving the issues of translating international and foreign words into Kazakh language. These issues should not be resolved by a circle of solitary figures. The Government should resolve this.

There are terms commonly adopted in the whole world that enrich any language. But tend to make life unnecessarily complicated, we often bring

in confusion to our minds and swarm our own archaic memories. There are plenty of examples like that.

I suggest a contest where our youth suggest to us a hundred modern books that are translated into Kazakh in a modern way

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**Language should function as a unifying influence for the people of Kazakhstan.** Therefore our language policy should be implemented in a competent and consistent way and should not limit any language spoken by Kazakhstan citizens.

You know about our policy – by 2025 95% of Kazakhstan citizens should gain Kazakh language. We are creating the conditions for that. Today more than 60% of schoolchildren are educated in the state language. Education in Kazakh is being introduced in all schools. This means that if child has been enrolled into a school this year, in **ten to twelve years we will have a new generation of Kazakhstan citizens all bearing Kazakh language.**

Thus already by 2025 Kazakh language will lead in all spheres of life, Kazakh will become a general language. This, of course, will become the most important achievement of our state. Our sovereignty, our independence will finally gain something that binds the nation and cements it – a mother tongue. This is the crown pearl of our state's sovereignty.

(2) Nowadays we take active measures to create conditions for our children to learn **Russian** and **English** equally as **Kazakh** language.

This three language policy should be encouraged on a State level.

We should treat Russian language and Cyrillic writing in the same caring way as we do for Kazakh. It is clear to us all, that knowing the Russian language provided a historic advantage to our nation.

No one can ignore the fact that through Russian language in centuries the Kazakhstan citizens gain additional knowledge, increase their perspective and communications both domestically and abroad.

We should work to breakthrough in learning the English language. Having this “lingua franca” of the modern world will reveal new and unlimited opportunities for each citizen of our country.

## **Culture, traditions, and distinction**

Traditions and culture form the **genetic code** of a nation.

Despite all burdens and adversities suffered under the Czars, shocks of revolutions and totalitarianism, Kazakhs and representative of other ethnic groups have managed to preserve their cultural distinction.

Moreover, in the independence years, in spite of the globalization and westernization, our cultural foundation has been significantly strengthened.

Kazakhstan is a unique country where various cultural elements have united to compliment and enrich each other.

**We must preserve our national culture and traditions in all their diversity and greatness collecting it bit by bit.**

Our history teaches us: a country is strong only if its people are united therefore, the unity of Kazakhs is a key issue for us.

Who would be interested in building a strong Kazakhstan besides us? The answer is clear.

We are facing the same problems faced by all nations in various periods of history. Those countries that overcame them have become strong nations and States.

As the Leader of Nation I am concerned that there are forces who wish to **destroy inter-Kazakh unity.**

The one, who follows these calls either consciously or non-consciously, then starts to get divided according to various properties, first of all by Shejire.

People should not forget the essence of the Shejire tradition, it does not stop on a single tribe. **Shejire is a Tree of generations, which tends to a common root.** Shejire demonstrates and proves that our roots are common, that **we Kazakhs are all one.** **Shejire** does not divide us, but unites.

I am concerned that the nation is artificially divided into **“true Kazakhs” and “false Kazakhs”**. I feel very ashamed for those who do that, for those

who divide the society. It is dangerous that this is being done covered in ideas of love to the homeland.

Our youth should learn to appreciate, love each other as children of a common parent, common people, wherever they would be.

### **Role of the national intelligentsia**

We enter a period of our development, when the spiritual issues will have a meaning no less important than issues of economic and material concern.

The intelligentsia plays main role in the spiritual development.

Kazakhstan 2050 should be a **society of progressive ideals**.

The intelligentsia is supposed to lay a foundation for modern views of our society.

(1) Intelligentsia should become a leading power in strengthening the nationwide values at a stage when the country has become an established state.

We should demonstrate and create **new Heroes of our time** – those our youth will admire and seek to emulate.

(2) Intelligentsia can and must play a key role in drafting a **model of the future** of our country based on my vision of Kazakhstan 2050.

(3) We have to continue our work to **establish the historical conscience of the nation**.

Universal Kazakhstan identity must become the cornerstone in the minds of our people.

Today a Kazakhstan citizen of any ethnical and religious belonging – is an equal member and citizen of our country.

Kazakhstan people and state language serve as unifying core in the developing civil unity of Kazakhstan.

We are creating a fair society, where everyone can say: “I’m a citizen of Kazakhstan, and all the doors are open for me in my country!”

Today indeed all the doors, all the opportunities and roads are open to our citizens.

We are plenty and we are one – one country and one nation.

To be valuable for own country, to be responsible for the destiny of own homeland – is a duty and honor for every responsible politician, for every citizen of Kazakhstan.

Unity and accord is the foundation of our society, foundation of our special Kazakhstan tolerance.

We must carefully transfer those values to the future generations of our country.

### **Religion in Kazakhstan of 21st century**

Today the pressing issue for Kazakhstan in the religious arena is religions that have not been traditionally practiced in our country. We have also seen an influx **of people claiming to represent a non recognized faith or belief.**

Some of the young people unconsciously accept these views due to a lack of immunity on the part of our society against pseudo-religious influence.

It is a fact that our Constitution guarantees freedom of faith. However, as you might know this is not unrestricted freedom as this would produce chaos. Everything should be a subject to the constitution and our laws.

Everyone enjoys a freedom of choice. It is necessary to be very responsible in choosing religious preferences: lifestyle, households and, often whole lives depends on this choice.

In this internet age with many new technologies and incredible volumes of information flows, people should apply a filter to what they see and here.

**Your Internal “filter”** must ask questions: do we need our mothers, sisters and daughters to wear the clothes of foreign nationals? Do they need to be wrapped in headscarves? To not sit at the same table with us? To not allowed drive cars? These all are matured traditions of other nations. They are our brothers and we respect them, but those customs have never existed in our Steppe.

Read the classical literature, watch the movies. Our women have national pride, own traditional style of clothes, but it is covered by a modesty, that we, men, often abuse.

**We are proud of being a part of the Muslim Ummah.** It belongs to our traditions. However we should not forget that we also have secular traditions, and that Kazakhstan is a secular state. We should create a religious conscience relevant to the traditions and cultural norms of our country. We should use the best models of behavior. The strategy I am announcing prepares our people to live in the 21<sup>st</sup> century, not in the middle ages.

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The State and citizens should come forward against forms and types of **radicalism, extremism and terrorism as a united team.**

A particular concern is caused by a threat of so-called religious extremism. This concern is also shared by the spiritual hierarchy. We cannot allow the true faith in God to be replaced by aggressive and destructive fanaticism.

This blind fanaticism is absolutely alien to the psychology and mentality of our peaceful people. It contradicts the hatafit mazhab, held to by believers of Kazakhstan.

Extremism and terrorism in Kazakhstan has not an ideological but criminal foundation. The pseudo-religious rhetoric hides criminal activities that undermine basis of the society.

It is an assault to the peace and stability of our country. It is a durability test of our statehood and civil maturity.

- We should improve our legislation in order to neutralize the signs of religious radicalism and extremism. We should improve counter-terrorism legislation. The State should stop extremism and radicalism, wherever it comes from.
- We should establish new reliable mechanisms to overcome the social, ethnic and religious tensions and conflicts. It is necessary to firmly stop the activities of non-traditional sects and doubtful pseudo-religious flows.



- We should strengthen preventive measures against religious extremism in society, especially among the youth.
- It is also necessary use the advantages, provided by the Forum of Leaders of World and Traditional Religions. On the basis of this dialogue we should create a new platform for resolving conflicts on religious grounds.
- We should be ready to mediate in the hot spots of the region in particular the Middle East and larger global level to resolve religious and ethnic conflicts.

**The secular nature** of our State is an important condition of the successful development of Kazakhstan. This should be **clearly** understood by current and future Kazakhstan officials and all Kazakhstan citizens.

I task the Government in conjunction with my Administration to continue to develop a **State program on the fight against religious extremism and terrorism**.

At the same time I would like to warn the nation. The fight against extremism should not be used as a witch hunt or to be used to fight religion.

Whenever we contemplate religion we must adopt a thoughtful approach and proceed with extreme caution. It is not the States' role to intervene on the internal affairs of religious communities. We remain steadfastly committed to the freedom of conscience, tolerance of traditions and principles.

**Fellow citizens!**

Today in my Address I appeal to every one of you.

Our country faces **large-scale tasks**. And I am **confident in our success**.

**What Kazakhstan do I see in future?**

I am strongly confident that Kazakhstan citizens of 2050 represent a society of educated, free people speaking in three languages.

They are citizens of the world. They travel. They are open to new knowledge. They are industrious. They are patriots of their country.

I am convinced that Kazakhstan of 2050 is a society of universal labor. It is a State with a strong economy, with everything devoted for a person. With the strong education, and great healthcare. With peace and serenity. With citizens who are free and equal, and the authority is fair. With supremacy of the Law.

I believe that we are committed to the right course and nothing can distract us from this.

**If we would be strong, we will be reckoned with.**

**If we would hope for a miracle or rely on others we will lose what we have achieved.**

**And today we have to make the only right choice.**

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Special responsibility for implementation of the Kazakhstan 2050 is laid first of all on us, Kazakhs.

We should not forget that we would be able to adequately respond to the **challenges of the time** only if we **preserve our cultural code**: language, spirituality, traditions and values.

I say this in a clear way, especially for our youth, terms. When does the bug happen in the computer program?

The bug happens when the program coding is broken. Real life is the same. If a nation **loses its cultural code**, the **nation is broken**. We cannot let this happen!

I believe that our deserved history and memories of our glorious ancestors will help us overcome the adversities of the future years. The history witnesses that in the difficult times our people has always united and turned our burdens into victories.

This happened almost 300 years ago by Anyrakay where the Kazakh people united. At that moment devotion to our land and common sense won. That exploit was made by an ancestor of each of us.

The way we will come out of the future burdens also depends on our unity. Our ancestors used to say: "The Homeland is hotter than fire".

I appeal to our **senior generation**. Your wisdom should help the junior generations follow the right path, to love the Homeland.

I appeal to the **middle generation** you have witnessed falling of one country and raising of a new one. That was a time of complicated and hard decisions. The experience you have gained is a priceless asset that will help all of us to overcome adversities.

And finally, I appeal to our **youth**. You embody all our dreams for the future. Everything we are doing today we are doing for you. Most of you are of the same age as our independent Kazakhstan. And by 2050 you will all be mature citizens, who have taken part in implementation of this program. The further course of our country will be defined by You.

You are educated in the conditions of independence – something we did not have. Your new independent vision is a factor that will lead the country to new aims that look unattainable for us today.

I call on **all of our people** to arm themselves with eternal qualities – diligence, industry and purposefulness; those qualities will help us stand firm and provide our Homeland with a deserved future.

I believe in you. I believe that this historic chance will not be lost.