Address of the President of the Republic of Kazakhstan, Nursultan Nazarbayev, to the People of Kazakhstan, January 28, 2011

**Building the Future Together**

**Address of the President of the Republic of Kazakhstan,**

**Nursultan Nazarbayev, to the People of Kazakhstan**

**Astana, January 28, 2011**

Dear compatriots!

Dear deputies and members of the Government!

Ladies and gentleman!

This year is especially valuable for us.

We have approached the 20th anniversary of our independence.

We have conquered significant tops along this way, which led dependent people to independent days of present time.

As you remember, in 1997, in my first address to the people of Kazakhstan, I said:

“By 2030, our next generations will live in a country which would not be left in the wayside of global events”.

At that time, there were many people who were doubtful about these words. However, we have achieved this desired goal not in 33, but in twelve years!

The Summit, recently held in Astana, convened the heads of the 56 states and governments and is an outstanding evidence of this.

And even before this major and glorious achievement, we have reached many goals.

We have become one of the three states in the world, which convened its compatriots, “scattered as millet” in different times of history.

In these years, more than 800,000 compatriots came back from foreign states and the number of population increased by one and a half million.

We have built a beautiful and prosperous Astana in the wide steppe of Sary-Arka. We have established the capital, which became the symbol of our dynamic development, on the banks of Yessil River.

Only the nation which lives in harmony and understanding will reach the fruitful future.

Today, Kazakhstan’s international reserves are about 60 billion USD.

Prosperity requires cooperation, and unity is the token of wealth.

In the years of independence, more than 120 billion USD in foreign investment were attracted in the economy of our country.

We also export more than 200 kinds of products to 126 countries of the world.

Today, one third of the national wealth is created by small and medium-sized businesses.

The agricultural sector is also developing.

In 2010, the GDP increased by 7 percent, industrial production – by 10 percent, while the growth in manufacturing industries reached 19 percent.

An average monthly salary increased from 53,000 in 2007 to 80,000 tenge (KZT) in 2010.

In terms of the national wellbeing, last year Kazakhstan made 26 steps forward and took the 50th place among 110 countries.

Overall, an average monthly salary increased by 5.5 times and the average pension increased fourfold.

We overcame the crisis, which shook the world, and bravely stepped onto a straight path of development.

We set ourselves ambitious goals, and we achieved them.

About 500 public health facilities were built during the years of independence.

The material and technical foundation of the medical institutions has significantly improved.

In developing education, our country takes leading positions among 129 countries.

Funds allocated to education increased tenfold during the last decade.

A total of 750 new schools were built in these years.

Also, 5,302 preschool facilities, 1,117 nursery schools and 4,185 centres were opened.

A new University, which in the new century will become the centre of science and knowledge, was opened in Astana.

In such a short period of time, we have become the country with many trophies and a strong nation.

All this was done to give our people opportunities to think globally.

1. Accelerated Economic Modernization – Continuing the Programme of Accelerated Industrial and Innovative Development

Dear people of Kazakhstan!

We enter the twentieth year of Independence.

In December 1991, having chosen the strategic goals of sustainability and success, we moved forward, creating new programmes of development for each new stage.

We set ourselves ambitious goals, and we achieved them.

I will give only one integrated index of the country’s progress.

In 1994, Kazakhstan’s GDP per capita was slightly above 700 USD.

By January 1, 2011, it has reached per more than 12 times and exceeded 9,000 USD.

We had planned to reach such a level only by 2015.

The international experience shows that during their first 20 years of independence, no other country was able to achieve such a result.

For example, GDP per capita in South Korea in the first twenty years of its sovereign development has increased threefold, in Malaysia – twofold, in Singapore – fourfold, in Hungary – fivefold, and in Poland – fourfold.

In my address to the people in January 2010, I announced the Programme of Accelerated Industrial and Innovative Development.

There are already concrete results of the first year of its implementation.

We have already launched 152 enterprises, creating 24,000 jobs for the people ofKazakhstan.

In total, about eight hundred different enterprises were established in the country.

We have begun the process of active reconstruction and development of chemical and light industries; we have made a breakthrough in agricultural processing.

Until 2014, we plan to implement 294 investment projects worth 8.1 trillion KZT.

161,000 new permanent jobs will be created and 207,000 new jobs will be available for the period of construction.

The main outcome of the first year of the first industrial five-year plan is the commencement of serious structural changes in the economic growth thanks to the real economy sector.

I will reiterate the purpose of the Strategic Plan for the next decade.

By 2020, we must achieve the following indices:

Overall GDP growth will be no less than 30 percent.

Growth in processing industries will exceed or reach the level of extractive industries.

The National Fund assets will comprise no less than 30 percent of the GDP.

Domestic and foreign investments in non-raw materials economy sectors will increase by at least 30 percent.

The share of small and medium-sized businesses in the GDP will comprise 40 percent.

The population will grow to 18 million people.

The share of qualified specialists will make 40 percent.

The unemployment rate will stay under 5 percent.

Labour productivity in agriculture by 2014 will increase twofold, by 2020 – fourfold.

An unprecedented project to develop beef husbandry will be implemented in the agricultural sector.

Already in 2016, meat exports will comprise 60,000 tons, which is equivalent to exports of four million tons of grain.

For this purpose, the state will allocate 130 billion KZT as credits.

This will allow creating more than 20,000 jobs in the countryside, and will provide a source of income for more than one hundred thousand villagers.

This will allow increasing the number of breeding stock and breeder cattle of all kinds.

All this will stimulate the growth of production in related industries: agricultural engineering, chemical and food industries, feed production, and equipment repairs.

The government, the Akims [governors] of all regions should deal with this most important part of rural industrialization.

Competitiveness of our economy should be based on efficient technologies, which ensure reduction of energy consumption.

In order to develop non-raw materials sectors, I charge the Government with developing and adopting the Comprehensive Plan for Energy Efficiency.

Industrialization forms a new paradigm for regional policy.

The Government together with the Akims should develop and approve a Programme for Development of Regions.

All of this is part of our thought-out plans.

We are still in the beginning of our way.

If we want to live better and richer, we must implement this work.

I am a supporter of the principle: a strong business means a strong state.

For the first time, we adopted the Law “On State Control and Supervision”.

The uniform principles and procedures for monitoring by all state agencies are now established.

This is done in order to further reduce the administrative pressure on businesses.

Within the framework of reform of the law-enforcement system 16 laws were adopted.

Legal mechanisms for protection of property were introduced; humanization of criminal legislation on crimes, which do not pose a grave threat to society, was carried out; the scope of non-confinement punishments, as well as preventive measures alternative to arrest, was expanded.

Due to this, only this year about two thousand people convicted for crimes of small and medium gravity would be released from prison.

The staff of the law enforcement system was reduced per 15 percent.

Their structure was optimized.

The functions unusual for law-enforcement agencies were transferred to the private sector.

Significant changes are taking place in the judicial system.

An uncompromising fight against corruption is under way.

Currently, according to international experts, the anticorruption legislation in Kazakhstan is recognized as one of the most effective.

In total, for the last two years more than 40 officials at the national level, more than 250 officials at regional and city levels, including 39 Akims and their deputies, were charged with criminal offence.

Criminal cases were filed against a minister of environment protection and a minister of healthcare, a chairman of the statistics agency, vice ministers of the ministry for emergency situations and the ministry of defence, the chairmen of the “Kazakhstan Temir Zholy”, “KazMunayGaz” and “Kazatomprom” companies, resulting in convictions.

In three years, our country’s rating in the global anticorruption index has improved by 45 points.

According to this index, we are at the top positions throughout the CIS.

This work will continue without compromise.

In the World Bank report, in 2010 Kazakhstan was recognized as the leader of reforms in the interests of businesses.

In the global ranking of countries with the most favourable business climate, Kazakhstan takes the 59th place among 183 countries of the world.

In general, the facts of unreasonable interference of state bodies in the activity of economic entities were minimized.

Last year, the Customs Union of Kazakhstan, Russia and Belarus was launched.

According to the results of the 10 months of 2010, the volume of trade with Russia andBelarus increased by 38 percent.

Exports of Kazakhstan’s goods to the Customs Union countries increased 52.4 percent. At that, contribution from customs duties to our budget increased by 25 percent.

All these facts objectively show that the Customs Union is a very pragmatic and concrete project, which solves the economic problems of our countries.

We have advanced to the maximum extent possible in the creation of a Single Economic Space.

It will provide a huge market for Kazakh producers.

It is a stimulus for our businesses to produce competitive goods and services.

2. Social modernization – a new social policy

We have clearly defined our plans for industrialization and technological development of economy.

The main objective of our programmes is to improve people’s wellbeing.

Therefore, I pay special attention in this Address to social modernization.

I have adopted three major state programmes: development of education, health and languages.

By May 1, I instruct the Government, together with Akims, to develop and adopt principally new programmes on:

new employment strategies;

modernization of housing and public utilities;

providing the population with quality drinking water.

These programmes are aimed at solving everyday problems of millions of ordinary people of the country.

They will improve the quality of life of the people of Kazakhstan.

I will concentrate on the main aspects of the new social policy.

2.1. Education.

We must continue to modernize education.

As of today, the computerization of schools is totally completed.

They are equipped with multimedia classrooms, interactive equipment.

The introduction of a 12-year secondary education model is under way.

Lifelong learning should be the motto for all the people of Kazakhstan.

We intend to completely update the content of vocational and technical education.

Today, for one million people in developed countries there are from one to six universities.

The total number of universities in Kazakhstan is 149.

200 scientific councils forge candidates and doctors of science.

Only one out of 60 candidates and one out of 37 doctors then work in the sphere of science.

From this year on, these councils will cease functioning.

Now, we will pursue training of Masters and PhDs.

We are obliged to provide a new level of development of university education and science.

Today, on the basis of the new Nazarbayev University an innovative model of higher education institution oriented at market demands is being formed.

It aims to become a model for all universities in Kazakhstan.

20 intellectual schools founded on my instructions throughout the country will become the main base for training gifted children for best universities.

I instruct the Government:

to develop a mechanism of transition of the universities to the innovation activity;

to introduce new financial and economic instruments to support education for improving the quality and accessibility of education;

for the levels of technical and higher education, to develop a savings system similar to that which is now realized by “Zhylstroisberbank” in mortgage construction. The people of Kazakhstan should have new opportunities to save funds for educating their children by means of obtaining interest bonuses from the state;

to establish a National Council for preparation of vocational and technical personnel with the participation of representatives of business associations and employers.

All the work in the education system should be aimed at achieving the following results.

Proportion of children covered by preschool education by 2015 will comprise 74 percent, and by 2020 – 100 percent.

As a result of the “Balapan” programme, adopted on my instructions, in 2010, 35 nursery schools were built, 1,534 mini-centres were founded, and 137 private kindergartens were established.

Due to the return of previously privatized preschool institutions, 172 kindergartens were re-opened.

Coverage of children by pre-school institutions increased from 30 to 55 percent.

By 2020, we will make a complete transition to a 12-year model of education.

For this purpose, by 2015 we will build no less than two hundred schools at the expense of the republican budget and the same number – at the expense of local budgets.

By 2015, 50 percent of educational institutions will use electronic training, and by 2020 their number will increase to 90 percent.

By 2020, the share of universities, which will pass an independent national accreditation of international standards, will comprise 30 percent.

The share of universities implementing innovative and research activity and introducing the results of scientific research into production will grow to five percent.

No less than two universities will be registered in the rating of the world’s top universities.

Quality education should be the basis of industrialization and innovative development ofKazakhstan.

2.2. Healthcare

All these years we have done everything necessary to improve the health of the people ofKazakhstan.

Healthcare financing has increased from 1.9 percent of the GDP in 2002 to 3.2 percent in 2010.

Today, for the first time, the most complex medical surgeries are done across the country.

A total of 150 tele-medical centres connected with the leading international hospitals were established.

Twenty years ago we could only dream about this.

As a result of the work done, we can note a 25 percent growth in birth rate, an 11 percent decrease in death rate, and the speeding of the population growth by 1.7 times.

By 2013, the Unified National Healthcare System will be fully introduced.

We must seriously deal with preventive medicine and improve the quality of primary medical care.

According to international assessment, about five percent of the population with the basic types of diseases use about 70 percent of all health services.

Under well-organized prevention activity, the diseases may be prevented at early stages.

Therefore, Kazakhstan should implement a set of national health surveillance programmes of targeted groups of population.

First and foremost, it relates to children, adolescents, and women of reproductive age.

A particular emphasis should be placed on expanding access to medical assistance for rural residents.

In the past year, a new social project was launched – two specialized treatment and diagnostic trains called “Densaulyk”.

They have examined and treated tens of thousands of people in the remotest corners of our country.

This kind of transport medicine is critical for Kazakhstan, and we will develop it.

This year another train will be launched.

It is necessary to bring the number of mobile medical complexes (auto clinics) up to 50 units.

We must produce them in Kazakhstan.

I instruct the Government to provide no less than 16 helicopters for air ambulance needs by 2015.

I also instruct to expeditiously explore the issue of creating medical and rescue points along highways.

They should be placed on emergency hazardous sections of major roads of nationwide significance.

Emergency medical services should be equipped with multi-profile mobile and airmobile hospitals.

I am confident these measures will save thousands of lives of our citizens.

Special attention should be paid to reduction of the level of morbidity and mortality of tuberculosis and HIV in the correctional system.

As a result of these tasks, by 2015 life expectancy of the people of Kazakhstan will increase to 70 years, and by 2020 to 72 years or more.

It is necessary to promote healthy lifestyle, use the created sports base everywhere.

By 2015, 350 medical clinics, medical and obstetric centres and clinics will be built.

2.3. Languages

My fellow people of Kazakhstan, peace and harmony in our multilingual and multi-faith society are our common achievement.

It is gratifying to note that the people of Kazakhstan, showing respect and dignity, began studying the state Kazakh language, which gave the name to the native land where we live and lead our country to wellbeing.

Now, the overwhelming majority of adults are fluent in the state language.

And this is a great achievement of independence.

Our task is to make sure that by 2017 the number of people in Kazakhstan who have mastered the state language reaches at least 80 percent. And by 2020 – no less than 95 percent.

In ten years, 100 percent of high school graduates will speak the state language.

We do our best to achieve that.

We will also develop Russian and languages of other ethnic groups in Kazakhstan.

I have always said that knowledge of three languages is an obligatory condition of one’s wellbeing.

Therefore, I believe that by 2020 a share of our population speaking English should be no less than 20 percent.

2.4. New Employment Strategy

For two years, within the framework of the anti-crisis “Road Map” programme, we have ensured employment of the population, reduced the level of unemployment and improved infrastructure in our cities and villages.

These programmes have received broad support and gratitude of the people of Kazakhstan.

Today, it is necessary to increase labour market efficiency, since the new economy requires a new generation of skilled personnel.

Self-employed population is a huge pool of talent for our economy.

We build new businesses so that the people of Kazakhstan can work there.

They should be prepared for this, learn new professions.

I assign the Government, together with the Akims of regions, and cities of Astana and Almaty, until May 1, 2011, to develop a brand new programme on employment of the population.

The Government, together with the business community, should provide free training for the people willing to work at industrial sites.

It is necessary to provide the possibility of participation of every citizen of Kazakhstan in the large-scale industrialization of the country.

A while ago, I set a goal that the anti-crisis “Road Map” programme reach every family inKazakhstan.

And this was successfully done.

Using this experience, now it is necessary to structure the work in such a way that industrialization is truly nationwide in scale, and a matter for each citizen of Kazakhstan!

For those citizens who choose to live in rural areas, the Government together with local authorities should work out a package of measures to promote rural entrepreneurship.

In the past year, the programme for rural territories development was completed.

Now, this work will continue under the Forecast Scheme of the territorial and spatial development of the country until 2020.

In urban areas with high development potential we will develop rural infrastructure, expand access to irrigation water, microcredit programmes and in-kind grants, and organize training in entrepreneurship.

Today, there is already a legal basis for microcredit organizations’ activity.

Today, there are almost twelve hundred of them on the market and they have given more than 110,000 loans to the population totalling more than 16 billion KZT.

However, in general, they go for consumer purposes at a rather high interest rate.

We need to change the situation and the emphasis towards employment rather than consumption.

Therefore, I charge the Government, along with financial regulators, to urgently develop appropriate legislation and a set of measures.

This year, we need to additionally provide three billion KZT.

In 2012-2015, we need to increase this funding up to 10-15 billion KZT annually.

A full one hundred percent of micro-credits granted from the state money should go to setting up one’s own businesses.

The implementation of a livestock development programme, which was mentioned above, will provide jobs for tens of thousands of villagers.

Therefore, a major outreach at all levels of the executive power and the Nur Otan party is required.

I instruct the Government from the next year to move to motivational cash payments.

The main issue is to overcome the dependency mindset.

An unemployed will receive a grant for obtaining a profession, not for being unemployed.

The problem of poverty must be addressed, rather than mitigated at the expense of governmental benefits.

The state will only help objectively disabled and needy people.

2.5. Modernization of Housing and Public Utilities

The best indicator of quality of life of citizens is the comfort level of housing.

Over the past 10 years, the housing fund expanded by 30 million square meters.

This means that more than one million of our citizens now live in new apartments.

This is an important result of our housing policy.

For many years, the public sector was financed by a leftover principle.

As a result, 72 percent of communications needed repair or replacement by 2008.

Within the framework of the “Road Map” in 2009 and 2010 we did a lot to repair housing facilities.

This work must continue.

It is necessary to conduct a large-scale modernization of water, heat, electricity and gas supply, and ensure creation of an optimal model of housing.

Proportion of facilities that require overhaul should be reduced from 32 to 22 percent by 2015.

The length of the upgraded network by 2015 on the whole across the country will comprise more than 31,000 kilometres.

The state, in coordination with international financial institutions and our banks, will offer private investors, businesses and individuals, special tools of co-financing repair and reconstruction of housing and public facilities.

The implementation of the Housing and Public Utilities’ modernization programme will allow creating up to 10,000 new jobs annually.

In general, 1.5 million people living in apartment buildings will take part in its implementation.

I instruct the Government to develop a mechanism for stimulating savings and co-financing repair and restoration of common property.

Only then will we be able to improve the living conditions and increase the citizens’ responsibility for the safety of their property.

2.6. Quality drinking water

The issue of providing quality drinking water to people in Kazakhstan is the most important task of improving people’s health, therefore, this will be our priority.

Work on ensuring quality drinking water started 8 years ago, and there are positive results.

Access to centralized water supply in rural areas rose to 41 percent, in cities – to 72 percent.

The number of people using imported water decreased fourfold.

At the same time, there are still many villages in need of improvement of water supply systems.

Deterioration of water networks in urban areas reaches 60 percent.

On average, across the country, the level of access to drinking water by 2020 should reach 98 percent, and water quality must meet all established sanitary standards.

I instruct the Government to develop effective incentives for maximum involvement of private capital in the hydro-economic sector.

It is necessary to make extensive use of potential of groundwater, apply a systematic approach in the construction of new water supply facilities.

In 2020, access to central water supply in urban areas should reach 100 percent. In the countryside, it should increase twofold, to 80 percent.

2.7. Increase of Revenues - a New Quality of Life

Dear people of Kazakhstan!

This year we will increase the amount of pensions, scholarships, salaries of public sector employees by 30 percent.

For two years in a row, we have been increasing them by 25 percent.

As it was planned in a People’s platform of the “Nur Otan” party, by 2012 the average size of pensions, salaries in the budgetary organizations and scholarships will increase twofold compared to 2008.

We had promised it, and we have done it!

On my instruction, a three-year budget provides the financial support of both industrial and innovative and social programmes, which I have reported.

Now everything depends on how the Government and local authorities will implement these tasks, how this activity will be organized.

This is the minimum that needs to be done in the next decade.

We should strive to overdo these plans.

This is the main social objective of the decade.

Dear people of Kazakhstan!

By my Decree, 2011 was declared the year of the 20th anniversary of Independence.

The State Commission has been established, and the National Action Plan has been approved.

This is a matter for everyone.

I task the Government to unite efforts of investors, business community and the people ofKazakhstan to implement it.

The motto of our jubilee is “20 Years of Peace and Creation”.

Throughout the years of independence fundamental values of the Kazakhstan Way have been formed: Freedom, Unity, Stability and Prosperity.

Dear people of Kazakhstan!

Dear deputies!

You and I have come across a difficult political collision due to the nation-wide initiative to hold a referendum on extending presidential powers until 2020.

I am sincerely grateful to all the people of Kazakhstan, as well as the initiators of this idea, for putting their signatures in support of the referendum.

On a wave of people’s will, by mid-January more than five million signatures were submitted to the CEC.

Within days the initiative on referendum has actually turned into the popular movement.

During this campaign the “Nur Otan” party has organized a public Coalition of democratic forces “Kazakhstan – 2020”.

People’s initiative showed unquenchable civil activity of the people of Kazakhstan.

It has intensified the political, intellectual life of the country.

This indicates great potential for development and progress.

You know all circumstances of this issue very well.

By my decree, I declined the proposal of the Parliament on holding this referendum, as I was planning to take part in the 2012 presidential election.

The Parliament, using its constitutional power, adopted the Law on amendments to the Constitution.

I have sent it to the Constitutional Council which should determine whether it is constitutional.

Only after this, the final decision will be made.

It should comply with the Constitution and our laws; it should also include long-term interests of our people.

In any case, the will of the people is above all.

Herewith, I declare that in our foreign policy we will ensure stability of our commitments around the world to investors, the business community.

Our policy will meet the hopes and expectations of all our partners.

Kazakhstan will remain committed to swift and efficient development of the Customs Union among Russia, Kazakhstan and Belarus.

We will develop our cooperation with the CIS countries.

We propose our European partners to jointly develop and adopt, in a multilateral format, a “Kazakhstan-EU: 2020” Energy Charter.

This would ensure the guarantee of stability of energy supplies to the European markets, and the development of pipeline systems.

We initiate holding of a special donor conference on Afghanistan this year in Almaty.

Earlier I have proposed the idea of a Stability Pact for the Caspian Region.

This international instrument can lay a firm foundation for stability throughout the vast region of the Central Asia and the Caucasus.

Kazakhstan will continue efforts on the settlement of conflicts which we began as part of our OSCE chairmanship.

We remain leaders in the sphere of global nuclear security.

Kazakhstan proposes the UN to adopt a Universal Declaration of a Nuclear-Weapon Free World.

I consider it important as well to develop and adopt the Interstate programme of assistance toKyrgyzstan.

This year, Kazakhstan will assume the presidency of the Organization of Islamic Conference.

We have put forward the initiatives on strengthening the dialogue between the West and the Islamic world.

The presidency in the OIC should strengthen the Asian vector of Kazakhstan’s foreign policy.

The 10th anniversary summit of the Shanghai Cooperation Organization (SCO) will be held in Astana this July.

The SCO was created with our active participation, and we must do our best to make it stronger.

All of this will be Kazakhstan’s important contribution to regional and global stability.

Dear audience!

Dear people of Kazakhstan!

You all know about the initiative of holding the referendum to extend the term of the office of the head of state.

The non-governmental organizations, representatives of the intelligentsia and deputies of the Parliament support this initiative.

I take this warm wish of the people as an appreciation of efforts to strengthen the independence and statehood of our country.

Love for the motherland means one has to meet all challenges that it sends.

My life is tied to the destiny of our country.

I was charged to take our independence and build the country during tough times.

Therefore, striving to justify the confidence, I took all responsibility upon myself.

I adopted difficult momentous decisions pouring all my heart into them.

For 20 years, I have been serving my country, sparing no efforts or experience.

In these years, all our achievements, which raised our status and reputation, have been our common success.

Therefore, I am grateful to the initiators and the people of Kazakhstan who expressed their wishes!

I have never had more happiness than to serve the interests of my country and welfare of my motherland.

We still have a lot of work.

Our most important value in this path is our cohesive unity.

I am sure that large-hearted people of my country who value unity will become a strong and prosperous nation.

There is a wise folk saying: “If the country has a blessing there will be wellbeing and its direction will be right”.

In this address, we summed up the results of the work, which had been done during a glorious stage and outlined a direction for the future.

I wish you all a great success in your noble work towards wellbeing in the interests of the country!

Let our noble activities, which brought us to these glorious days, be blessed, dear compatriots!

Thank you for your attention.