

Message from the Head of State K.K. Tokayev

to the people of Kazakhstan.

A FAIR STATE. ONE NATION. PROSPEROUS SOCIETY.

Dear Compatriots!

Dear deputies, members of the Government!

In accordance with Article 59 of the Constitution of the Republic of Kazakhstan, I declare the third session of the Parliament of the 7th convocation open.

Dear deputies!

I congratulate everyone on the start of another session of the Parliament!

This year our country has entered a new stage of development.

In a nationwide referendum, the majority of citizens supported the course of political modernisation. The constitutional reform was a fundamental step in the creation of the New Fair Kazakhstan.

The continuation of political modernisation should be structural economic transformation.

We are facing a profound restructuring of relations in the triad “citizen – business – state”.

First and foremost, the state will ensure equality of opportunities and justice for all.

A high level of public welfare and support for socially vulnerable categories of the population, including citizens with special needs, will be guaranteed. The relevant institution of the Ombudsperson under the President will be established.

The state will fully support economic freedom, but at the same time will resolutely protect citizens against excessive market fluctuations.

Small and medium-sized businesses will be vigorously developed.

Now, I will outline specific areas of reform.

FIRST. NEW ECONOMIC POLICY

The systemic problems of our economy are well known. These are dependence on raw materials, low labor productivity, insufficient level of innovation, and unequal income distribution.

There is no doubt that all these problems are complex, however, there are concrete ways to solve them.

These include ensuring macroeconomic stability, economic diversification, digitalization, and development of small and medium-sized businesses, human capital, and the rule of law.

However, there is still no tangible progress on these issues. Clearly, new approaches are required.

The basic goal of our economic policy remains unchanged: qualitative and inclusive growth of the well-being of our citizens.

The priorities of the new economic course will be:

- stimulating private entrepreneurial initiative, which means moving away from state capitalism and excessive government intervention in the economy;
- development of competition, which means ensuring equal opportunities for all;
- and, of course, a fair distribution of the national income.

All of this involves solving a number of high-priority tasks.

First. Administrative regulation of prices reduces the investment attractiveness of entire industries and leads to a shortage of goods as well as dependence on imports.

Therefore, the government's interference in pricing will be phased out. The exception will be non-competitive markets - the tariffs of monopolists will remain under tight control. But control does not mean pressure.

Today, there are increasing number of cases when government agencies, including law enforcement agencies, rush to inspect businesses and demand lower prices and tariffs. Such populist actions must be stopped.

It is important to strike a balance between the need to limit monopoly profits and ensure investment in infrastructure.

Two-thirds of the country's power supply networks, 57% of its heating networks, and almost half of its water supply networks are worn out. These figures speak for themselves.

Artificial containment of tariffs is fraught with rolling outages, accidents, and, as a result, a threat to the health and lives of citizens.

In monopoly markets, it is necessary to switch to a new tariff policy "Tariff in exchange for investment".

The indicators of wear and tear of networks and capacities should be reduced by at least 15%.

The tariff will be provided in exchange for investment in infrastructure and participation in the state monitoring system to ensure transparency. The owner will have to make a substantial part of the investment from their own funds, not from the tariff.

Effective incentives for innovations should be developed, to allow the redistribution of part of the costs within the tariff estimate and retention of a certain share of income.

Cross-subsidization of tariffs, in which prices for some consumers are restrained by increasing the cost of services for others, should be gradually abandoned.

Second. Institutional solutions are needed to further de-monopolise the economy.

The concept of a “conglomerate” should be defined at the legislative level. Related entities of the market are obliged to obtain a permit for economic concentration. All their transactions should be thoroughly checked, including for indications of the use of non-market prices.

The development of a market economy is negatively affected by the activities of single operators.

Therefore, this institution should be regulated.

Existing operators should be transferred to a competitive environment or recognised as monopolists and regulated under the special antimonopoly law.

Third. Sustained economic growth depends directly on a clear, predictable tax policy.

In order to reboot fiscal regulation, a new Tax Code will be prepared in 2023. Its most problematic block - tax administration - will have to be completely updated.

It is also necessary to ensure the full digitalization of tax control, eliminating any face-to-face interaction. Another priority is increasing the effectiveness of tax incentives.

For this purpose, it is necessary to move to differentiated tax rates in different sectors of the economy. It is necessary to introduce mechanisms of reduction or exemption from corporate income tax on profits aimed at technological modernisation and scientific development. Special tax regimes should be simplified to minimise the temptation for tax evasion.

The new code should provide for the prevention of intentional fragmentation of organisations in order to reduce the tax burden.

For the development of civilized trade, the application of a retail tax with adequate rates and simple procedures is to be expanded.

As part of the tax reform, it is important to consider the possibility of introducing a so-called “luxury tax”. It would be levied on the purchase of expensive real estate, vehicles, and would not affect the middle class.

I would like to focus separately on the topic of fees when buying cars.

Everyone knows the problem with cars from some neighbouring countries. They remain outside the legal field, posing a threat to public safety.

It is necessary to take decisive measures to shut down all illegal channels for importing cars from now on. At the same time, it is necessary to regulate the situation with such cars imported before September 1 of this year.

To legalise them, I propose to apply a one-time fee for recycling and primary registration in an amount not exceeding 200,000 – 250,000 tenge. This measure should apply to vehicles that are not wanted by the police and have passed customs clearance.

Fourth, an effective tax policy is closely linked to transparent customs administration. It is important to complete the full integration of tax and customs information systems. Next. The multitude of inspectors is one of the main causes of inefficiency.

Therefore, it is necessary to introduce a mechanism of integrated customs control at the border. Customs clearance centers should operate on a “single window” basis.

Fifth. We need to learn to live within our means.

The budget policy model will be reformed by moving from “budget management” to “results management”.

Directly in the Budget Code, it is necessary to fix the marginal standards that must be observed in the planning and execution of the budget.

The practice of inefficient spending of the resources of the National Fund will be stopped. This is extremely important. At the same time, transfers from the National Fund will continue, but only for the development of critical infrastructure and projects of national importance.

Budgetary processes must be radically simplified. It is also necessary to allow government agencies to carry over unspent funds to the next year. This solution will help get rid of the inefficient practice of returning money to the budget.

At the same time, a budget risk management system should be launched, including in the quasi-public sector. We have begun to transfer tax revenues to the regions; this work must continue.

The "People's Participation Budget" project, which has proven itself, should be scaled up to cities of district significance and villages. At least 10% of expenditures on housing and public utilities should be formed with the involvement of the public.

For the effective implementation of the approaches outlined, it is necessary to adopt a new Budget Code.

Sixth. Systemic support for entrepreneurship.

Here, first and foremost, it is necessary to launch a full-fledged "regulation from scratch". This mandate has been dragging on for two years.

Instead of endless adjustments to hundreds and thousands of bylaws and instructions, new compact and understandable rules of operation should be approved. This approach should be fully implemented from January 1, 2024.

Next. In providing financial support, the state will give priority to competitive small and medium-sized enterprises.

The basic criteria for such assistance will be the growth of the wage fund and an increase in tax deductions.

In parallel, an automated system for determining the recipients of state support measures will be introduced.

It is necessary to build a qualitatively new system of public procurement.

The priority should be the quality of purchased goods and services, not the minimum price.

Procurement of state and quasi-state organisations should be transferred to a single platform. The implementation of these approaches will require the adoption of a new law "On Public Procurement".

Seventh. We should move to a new model of public-private partnership.

Today, many PPP projects have become a "trough" for unscrupulous entrepreneurs and officials.

Contracts in this sphere should be transparent and concluded on a competitive basis. To increase the efficiency of this mechanism, an appropriate law should be adopted.

Eighth. The lack of credit resources remains a serious problem for domestic businesses.

Underfunding of small and medium business in Kazakhstan amounts to about 42 billion dollars. At the same time, banks have accumulated multitrillion-dollar liquidity, which actually does not work for the economy.

The National Bank, the Agency for Financial Regulation, and the Government must find specific solutions to ensure stable and affordable lending to the real sector.

Taking into account the most complicated specifics of the situation, the National Bank should show more flexibility, I would say, ingenuity. There are positive examples of this abroad.

Ninth. Land is the basic factor of production. Without access to it, it is impossible to do business.

By the end of the year, it is necessary to develop effective approaches for the prompt and transparent allocation of land to entrepreneurs.

Each region and major community should assess the availability of unoccupied or underutilized land. This information should be fully available to businesses.

I am confident that these measures will improve the competitiveness of not only the entrepreneurial class, but the economy as a whole.

SECOND. DEVELOPMENT OF THE REAL SECTOR

First of all, legislation and procedures will have to be greatly simplified in order to attract investment in subsoil development.

It is necessary to complete the creation of a unified data bank of geological information. I instruct the government to increase the investment appeal of the industrial sector.

Last year, on my instructions, the effectiveness of all special economic zones was assessed. Based on its results, problematic areas were identified and new approaches were outlined.

Now we need to switch to a fundamentally different policy for the development of SEZs. This issue is of particular importance in connection with the relocation of foreign enterprises to Kazakhstan.

The provision of investment incentives for SEZs should be approached in a differentiated way. The key here is the principle: the greater the investment, the greater the benefits.

At the same time, investors not falling under the priority activities, but implementing important industrial projects, can be given land plots without the application of tax and customs preferences.

The issue of land property rights in the territory of the SEZ for enterprises that have fulfilled all their investment obligations in good faith must also be resolved.

Overall, systematic work is needed to attract investment. This is a priority task of the government.

Next. As already mentioned, the state will consistently reduce its participation in the economy.

The sovereign wealth fund "Samruk-Kazyna" will be transformed into an investor owning only a majority stake, sufficient to control key sectors of the economy. Other assets and shares of the Fund will be privatized, including through the mechanism of "People's IPO".

As a co-investor, Samruk-Kazyna will participate only in critically important projects that cannot be implemented by private investors. Such projects will be determined by the President.

The next issue is the strengthening of the country's transit potential.

Given the current geopolitical situation, Kazakhstan is becoming the most important land corridor between Asia and Europe. We need to make full use of the emerging opportunities and become a transport and transit hub of truly global significance.

Kazakhstan has already begun implementing such major projects as the creation of a container hub in Aktau and the development of the Trans-Caspian corridor. Advanced logistics companies of the world will be involved in this work.

The National Company "Kazakhstan Temir Zholy" will be transformed into a full-fledged transit and logistics corporation.

Special attention should be paid to the quality of road construction, including local roads.

Despite huge budgetary injections, this problem is still on the agenda. Previously, I instructed to bring the proportion of local roads that are in good condition to 95% by 2025. The government needs to take this issue under direct control.

There is a need for concrete results in the work to identify violations in road construction.

There are still interruptions in the supply of bitumen. This is unacceptable for a major oil-producing country. The government must finally solve this problem.

Overall, frankly speaking, the systemic failures of the government, the constant shortages of fuel and sugar lead to the justified indignation of citizens. This is a consequence of the sluggishness, indecision of the Cabinet of Ministers. If this continues to be the case, specific personnel decisions will have to be made again.

Next. The construction sector occupies an important place in the structure of the national economy. It generates 5-6% of the country's GDP, and much more if related industries are taken into account.

Meanwhile, architectural and construction activities in Kazakhstan are today regulated by more than 2,500 different documents.

A confusing, bureaucratic system has been formed that breeds corruption.

Outdated building standards and norms are still in use.

Therefore, I instruct the Government to adopt a conceptually new document - the Urban Planning Code.

Functional interactive maps of land plots and schemes of utility networks should be created for each city.

In the land cadaster, maps of industrial areas need to be supplemented with actual schemes of transport and utility infrastructure.

One of the key problems that remains is the issue of agricultural development.

The state of the industry directly affects the food security of the country.

The strategic task of increasing the volume of production and increasing the added value of domestic agricultural products needs to be solved.

The time when you could just sell grain and livestock is a thing of the past.

The government must prepare new long-term approaches to subsidizing the industry.

Budget funds must provide an effective return.

The state will no longer throw money away right and left.

It is necessary to strengthen control over the allocation and use of subsidies.

Rural cooperation offers great prospects for the development of the agrarian sphere.

The corresponding pilot project has been implemented. According to its results, the yield in agricultural cooperatives that participated in it doubled, and the growth of livestock - almost a quarter.

This successful experience should be gradually scaled up throughout the country, taking into account the specifics of the regions.

The industry is in dire need of advanced technological solutions.

Currently, there is no complete information for agricultural development.

All disparate information about the state of agricultural land, water resources, irrigation systems, and transport accessibility will be combined on a single digital platform.

In general, from next year the country's agro-industrial complex should work under new and stable rules. I would like to focus separately on the activities of the Commission for the seizure of unused land.

As part of its work, about 2.9 million hectares of agricultural land have already been returned to the state. By the end of the year, it is planned to return at least 5 million hectares.

The total area of unused land, or land that is issued with violations of the law, is about 10 million hectares.

The government and the akims (governors) must make specific decisions on them by the end of 2023. Especially since the moratorium on inspections related to land issues has been lifted.

The lack of water resources is a serious barrier to the sustainable economic development of the country.

In the current realities, this topic is moving into the category of national security issues.

The reduction in the external inflow of water is exacerbated by its inefficient use, with losses as high as 40%.

Other characteristic problems of the sphere include high deterioration of infrastructure, low level of automation and digitalisation, lack of scientific support and shortage of personnel.

To solve them, it is necessary to intensify the work of the Water Council under the Government with the involvement of experts.

In order to train in-demand specialists, it is necessary to identify a strong foundational university.

In general, it is necessary to prepare a three-year project for the development of the water industry.

THIRD. STRATEGIC INVESTMENT IN THE COUNTRY'S FUTURE

People are the main value of our country.

Therefore, a fair distribution of national wealth and equal opportunity for every citizen is a key goal of our reforms.

The harmonious development of society is possible only if the health of the nation is ensured.

Despite reforms in the health care, the state of the industry leaves much to be desired.

Obviously, the whole set of problems that have accumulated cannot be solved all at once. Therefore, efforts should be concentrated on critical aspects, one of which is the financing system.

The chronic underfunding of the industry leads to the fact that the insured citizens do not receive the amount of medical services they are entitled to.

The situation is aggravated by the artificial division of medical care into state-guaranteed and insurance packages.

We have to admit that there is no insurance model as such. This is a significant omission.

It is necessary to finally launch a system of voluntary health insurance. I instruct the government to reconsider its approaches to financing health care and the social sphere in general.

Particular attention should be paid to the comprehensive improvement of medical infrastructure, including through public-private partnerships.

Medicine is an investment-attractive industry; you just need to create the right conditions.

I have decided to begin the implementation of a national project aimed at the needs of the rural population of our country as early as next year.

Within two years, medical and obstetric stations will be built and fully equipped in 650 villages where there are currently no medical facilities.

Thus, the state will provide access to primary health care for more than a million citizens.

As part of the national project, 32 district hospitals will be modernised and transformed into inter-district multidisciplinary institutions.

They will have centers specializing in strokes, surgery, and intensive care and rehabilitation units.

This will improve the quality of medical services for more than four million citizens.

In addition, telemedicine will be developed, which will open up access to qualified medical care for residents of remote areas.

To improve the competitiveness of the domestic healthcare, it is necessary to consistently improve the system for training doctors.

Multidisciplinary university hospitals and clinics will be established at medical universities.

Within three years, the annual number of grants for residency training will be increased by 70%.

All of these measures will improve the health of our nation, not just in theory, but in practice.

The next important issue is the state of the education system, which plays a crucial role in increasing the nation's potential.

Our people have a proverb: "El bolamyn desen, besigindi tuze" ("The future of the country is formed in the baby's cradle").

Therefore, the sphere of preschool education should be a priority. However, preschool education in today's Kazakhstan covers only a little more than half of the children between the age of 2-6. This situation is inadmissible.

It is necessary to cardinaly resolve the issue of provision of kindergartens.

At the same time, effective measures should be taken to raise the social status and salaries of educators. At the same time, it is necessary to establish clear requirements for professionals in this sphere and gradually reduce the workload.

The driving force for progress in education is dedicated teachers. That is why it is not kindergartens that should be evaluated, but teachers.

Another significant factor in the formation of a successful nation is the quality of secondary education.

Every schoolchild in Kazakhstan should have decent conditions for learning and all-round development. This is what the new national project "Comfortable School" is aimed at.

By 2025, we will create 800,000 student places that meet modern requirements. This will completely solve the problem of emergency and three-shift schools.

This measure also significantly levels the difference between the quality of educational infrastructure in urban and rural areas.

In general, the construction of new schools should be one of the priorities of the government and the akims (governors).

All illegally obtained funds that come into the possession of the state as a result of trials of corrupt officials should be spent on building schools.

The government should decide on the legal registration of this action. It is extremely important to ensure maximum availability of school uniforms for all students.

I believe that the state should provide the uniforms for children from certain socially vulnerable categories at the expense of the budget.

Targeted state orders for the purchase of school uniforms should be aimed at the development of the domestic light industry.

I am deeply convinced that school teachers will play a decisive role in building the New Kazakhstan.

The state has done a lot in recent years to increase the attractiveness of this profession.

However, positive changes in this direction are still needed. A new standard for accreditation of teacher training institutions and a framework of teacher competencies must be adopted.

Given the global progress of science and technology, it is important to strengthen the teaching of science and mathematics and English in high schools.

There are discussions in society around the teaching of Kazakh and Russian languages in schools. Let me be clear: we must educate children to speak fluently both Kazakh and Russian.

This is in the interests of the younger generation. The Ministry of Education should be guided by the interests of children, not by populists. The younger generation, in terms of knowledge, including language skills, should stand firmly on both feet. Their knowledge is our strength.

In turn, technical and vocational educational institutions need to focus on the real needs of the labour market and meet the challenges of the country's new economic course.

In doing so, it is necessary to consistently build partnerships with parents and students, who must bear their share of responsibility for the quality and relevance of the knowledge and skills received.

It is for this purpose that personal educational vouchers are planned to be introduced.

All funds provided by the state for a child's education, including extracurricular activities, will be accumulated in unified educational accounts.

In fact, it will become the primary targeted capital of children, which they will be able to invest in their education.

This step will make it possible to implement in practice the principle of equal opportunities for every citizen of the country.

In this sense of development, it is necessary to continue reforms in higher education as well.

As the quality of domestic universities increases, so will the cost of studying in them.

Therefore, the government plans to allocate educational grants, which, depending on the results of the Unified National Test and other indicators, will be differentiated in size - from 30 to 100%.

Concessional loans for education at 2-3% per annum will also be provided.

These measures will make higher education more accessible and strengthen the ideology of partnership and mutual responsibility in society.

The next sensitive issue is the provision of students with dormitories.

To solve this problem, it is necessary to actively implement the mechanism of public-private partnership with universities and construction companies.

At the same time, I believe that it is wrong to put all the problems on the shoulders of the state.

Therefore, the availability of dormitories should be one of the criteria for private universities' access to state funding.

Undoubtedly, such requirements to educational institutions should be introduced gradually.

The possibility of subsidizing the cost of living for certain socially vulnerable categories of students can also be worked out.

Endowment funds at universities should become a key link in the development of the educational ecosystem.

In the world's leading universities, such endowment funds are the basis for sustainable financing of science and innovation.

The basic factor in improving the welfare of the people is the growth of wages in line with market conditions.

The state will introduce a new methodology for determining the minimum wage, which will enable a gradual increase in its size.

I have decided to raise the minimum wage from 60,000 to 70,000 tenge. This will directly affect the income of 1.8 million citizens.

The pension system will have to be substantially rebooted.

The minimum basic pension rate should be consistently raised to 70% of the subsistence minimum, and the maximum to 120%. Together with earlier decisions, this will make it possible to increase the aggregate pension by an average of 27% by 2025.

Moreover, given the broad social demand, the retirement age for women will be fixed at 61 years until 2028.

It is necessary to develop an effective investment strategy for the Single Accumulative Pension Fund.

Private companies with an impeccable reputation and highly professional teams could be attracted there.

The social security system will also need to be adjusted.

We will increase the childcare payment period to one and a half years as early as January 1, 2023. Parents will be with their children longer at the most important infant age.

For Social Security members, unemployment benefits will go up to 45% of average monthly income. This will help them get back to work more easily and quickly.

An important element of the well-being of citizens will be the creation of a unified system of targeted social assistance. From 2023 it is planned to introduce the Digital Family Card and the Social Wallet.

These initiatives will integrate various measures of state support. They will become clear and, most importantly, point-by-point and proactive.

Comprehensive support for young people is one of our unconditional priorities.

Next year about 100,000 young people will be covered by various employment measures.

To support youth entrepreneurship, a separate mechanism of preferential microcrediting at 2.5% per annum will be launched.

The proposed measures will increase the effectiveness of the social protection system and make our society more harmonious and fair.

The amendments to the Constitution, adopted in a national referendum, have become a symbol of a Fair Kazakhstan.

We have enshrined in the Basic Law the key principle that land and natural resources belong to the people. This is not just a beautiful declaration, but the leitmotif of all reforms.

Every family must receive a real return on the use of the country's national wealth. That is why I think it is extremely important to launch a fundamentally new program called "National Fund for Children" within the framework of the Year of Children that I have announced.

I propose that 50% of the National Fund's annual investment income be deposited in special savings accounts for children until they reach the age of 18, with no early withdrawal rights.

On reaching that age, the accumulated amount will be used to purchase housing and get an education. These funds will give the younger generation a real ticket to adulthood.

The fund will truly acquire the status of "national" and will serve the interests of the people. Taking into account the need for careful work on this large-scale undertaking, I instruct that the project be launched on January 1, 2024.

Another initiative in the spirit of the New Kazakhstan will be the annual transfer of at least 7% of the net income of the Samruk-Kazyna Fund to the public fund "Qazaqstan Halqyna".

In addition, I am sure that successful entrepreneurs and wealthy citizens will continue to contribute to this fund.

In general, for the development of human potential, it is important to attract talented specialists from abroad to the country, especially those who have achieved success in the fields of creativity and entrepreneurship.

We are talking about an effective migration policy. It is necessary to reduce the shortage of the most in-demand and highly qualified personnel.

For valuable professionals in the field of science, health, industry, and IT, the state will introduce exemptions and visas with the right to obtain a residence permit.

Foreign businesspeople who have invested more than 300,000 dollars in our economy, will have an opportunity to get a ten-year visa and a residence permit.

Kandas (ethnic Kazakhs residing permanently beyond the borders of Kazakhstan) resettlement policy and the regulation of internal migration will undergo radical reform.

It is fundamentally important to use approaches that take into account demographic and economic trends, as well as the national interest.

The strength of a nation lies in its people, in their health and profound knowledge.

It is imperative that professionalism and hard work be highly valued in our society.

I repeat one again: hard-working citizens, true professionals should be the most respected people in the country.

It is such citizens who strengthen our state.

At the meeting of the National Kurultai and the congress of the youth wing of the Amanat party "Zhastar Rukhy" I highlighted this topic.

We must honour the people of labour. No matter what a person does, the most important thing is that they do their work faithfully.

It is important that young people want to learn all the subtleties of one particular profession, because the work of professionals is always highly valued.

Our younger generation must be competitive not only in Kazakhstan, but also abroad.

Citizens of neighbouring states work abroad, not neglecting any work. Among them are many professionals who achieve great success in our country as well. We should take an example from such people.

The most important aspect is honest work. We need to educate a generation that understands this well.

Significant attention should be paid to this issue in the ideological work.

FOURTH. RESETTling PUBLIC ADMINISTRATION

The planned structural economic reforms require a reboot of the system of public administration.

People are tired of empty declarations and endless presentations of a bright future. Citizens expect government agencies to actually fulfill their promises, not just in theory.

Emphasis should be placed on decentralising the system of state administration while increasing the personal responsibility of political officials.

Part of the government's competencies should be transferred to ministries - a specific minister should be responsible for specific sectoral policies, not a "collective cabinet".

The government will focus on cross-sectoral issues.

The first step in this direction will be the transformation of the Office of the Prime Minister into a compact Government Office, corresponding to the advanced standards of public administration. It's not about changing the name, but a real reform.

By optimizing the vertical of central agencies, we need to significantly expand the powers of local executive bodies.

This will bring the solution of urgent issues closer to the regions, to the people.

We need to pay close attention to issues of local self-governance, reformatting the activities of public councils, cooperatives of apartment owners and associations of property owners.

We have to deal with the improvement of residential buildings and the infrastructure of the cities. Their appearance and the functioning of internal infrastructure do not meet the expectations of citizens and, frankly, discredit the country in the eyes of foreigners.

I instruct the government to develop a new administrative reform to improve the efficiency and accountability of government agencies.

The New Kazakhstan needs new state managers.

The system of selecting and dismissing civil servants must be restructured to meet the demands of the times. It is important that the civil service become as open as possible to professionals from the private sector.

The talent pool needs to be strengthened.

The Civil Service Agency should become a full-fledged institution of strategic HR.

The government, together with the Agency, should launch a special platform to consolidate the potential of fellow citizens around the world.

Particular attention should be paid to improving the efficiency of governance in the quasi-state sector.

Work in this direction has begun; we need to bring it to the desired result.

For this purpose it is necessary to finally define a new model of work of the "Samruk-Kazyna" Sovereign Wealth Fund.

The best investment and production companies of the world should be taken as a reference point.

The management of state assets must become more transparent.

The government will ensure that the National Report is prepared annually and sent to the Parliament.

FIFTH. LAW AND ORDER

It is necessary to ensure the rule of law and the quality of justice.

This requires the urgent renewal and rehabilitation of the judiciary.

Judges must be highly qualified, honest and incorruptible.

First and foremost, the equal status of all judges must be ensured, reducing their dependence on their superior colleagues.

Many positions of court chairpersons will be transformed into judicial positions.

I propose to use elective mechanisms in the selection by the judges themselves of candidates for the positions of chairpersons of courts and chairpersons of judicial boards.

It is also necessary to begin introducing elements of electability of judges of the Supreme Court. For this purpose, the President will submit candidates for judges to the Senate on an alternative basis.

It is important to create appropriate incentives and conditions to attract strong lawyers to the field.

In order to increase the independence of judges, the status of the Supreme Judicial Council should be strengthened.

The Council will be entrusted with the issues of training of candidate judges, professional development, and extension of the age limit, suspension and termination of powers of acting judges.

This state body should become a full-fledged institution with clear personnel functions, beginning with selection and ending with recommendations for the appointment of judges at all levels.

It is fundamentally important to eradicate the influence of law enforcement agencies by eliminating all instruments of administrative pressure on judges.

Along with the limitation of interference in the activities of judges, their responsibility for serious violations will be strengthened.

Every overturned judicial act in which a judge has made a gross error must be reviewed by a Judicial Jury.

The institution of judicial evaluation and accountability on the basis of the "quality of the administration of justice" must also be reconsidered.

The institution of appeal requires reforms. Here, decisions should be made on the merits, without going back to the first instance.

It is also necessary to expand the scope of administrative justice. Transferring a wide range of administrative misconduct and civil law disputes with government agencies to the procedural code would make domestic justice humane and fair.

At the same time, it is necessary to work on issues of access to justice at the level of district and regional courts.

Businesses rightly consider excessive rates of court fees to be a serious limitation in protecting their interests.

Therefore, reasonable fees should be established for property disputes instead of the existing percentages of the amount of the claim.

It is necessary to reduce the state's involvement in the judicial process. It is time to deal with the judicial disputes between government agencies.

If two ministries have a different understanding of the law, it is up to the government to settle the matter.

This approach is also applicable to disputes between state bodies and state organisations.

It is not uncommon for different regions to make different decisions in similar cases.

A digital analytical toolkit is now being developed to ensure uniformity in the administration of justice.

The Supreme Court should accelerate the full implementation of this intellectual system.

Of course, this is not the end of the judicial reform, it will be developed by specialists outside the Supreme Court.

This will make the process more adversarial, open to the public, independent experts, and therefore - more effective.

Next, I will focus on the reform of the law enforcement block. This sphere is traditionally under close public scrutiny.

The days of the "Tragic January" were a serious test for the system of law and order.

The rallies, due to provocateurs, turned into mass disturbances, which then turned into an anti-state riot.

Many of the instigators received suspended or lenient sentences.

However, the degree of their guilt is much higher, as these people deliberately inflamed the situation and played a key role in escalating the situation that ended in tragedy.

I have been repeatedly approached by human rights defenders and representatives of the legal community with justifications for the need to toughen penalties for calls for mass disorder.

Their arguments are quite reasonable, so I instruct authorized bodies to work on this issue and take concrete measures.

We must respond harshly to any public provocation and unlawful actions.

People who commit such destructive actions and call for breaking the law will not be able to escape severe punishment.

I would like to remind the whole society of our general principle: “We say yes to political pluralism, we say no to extremism, gangsterism and hooliganism”.

Where purposeful provocations begin, there can be no question of freedom of speech and pluralism of opinion. This is an attack on the stability and security of society and an attempt to undermine the foundations of the state.

Today we need unity more than ever.

Both protesters and law enforcement officers are our fellow citizens who hope not only for objective justice, but also for the forgiveness of society.

The state has already commuted the punishment for those participants in the January events who did not commit serious crimes.

Many of the lawbreakers have realized their guilt and are repentant of what they have done.

I think they deserve a second chance. That is why I have decided to conduct a one-time amnesty for participants in the January events.

Of course, the amnesty will not apply to the main persons involved in the organisation of the riots, as well as those accused of state treason and attempted violent change of power.

Persons who committed terrorist and extremist crimes, recidivists, as well as those who used torture, will also not fall under the amnesty.

With humanism, we as a nation will learn from this tragedy and not allow it to happen again.

Families of the victims of the January events, who are in a difficult financial situation, will receive financial support.

I believe that the “Qazaqstan Halqyna” Foundation will also make a worthy contribution to this noble cause.

An important lesson of the January tragedy was the need to significantly increase public safety.

Recently there have been more and more cases of serious crimes - murders and gang warfare.

They are committed with a particular cynicism and are a challenge to our entire society.

This dangerous trend must be stopped at the root - by toughening punishment and eliminating parole for such crimes.

The issue of the criminalisation of domestic violence has long been raised in society.

Law enforcement agencies doubt the need for this step, as they believe that it will lead to a decrease in the detection of such offenses.

There is some truth in this. However that may be, we cannot turn a blind eye to the many cases of domestic violence.

Impunity for troublemakers unties their hands and basically leaves their victims defenseless.

I think it is time to toughen responsibility for such acts.

Victims of domestic violence should not have to fear social condemnation or pressure from others.

In order to ensure that, police officers must work very sensitively with them, taking all necessary measures.

The growing use of synthetic drugs poses a great threat to the health of the nation.

The dynamics are sharply negative: over the past three years, the volume of synthetic drugs seized from circulation has increased tenfold.

Synthetic drugs are becoming cheaper and more accessible every year.

They are almost freely sold through social networks, messengers, and even delivered to homes.

Given the scale of this extremely dangerous social disease, the fight against the production and distribution of synthetic drugs must take on a national character.

Therefore, it is necessary to develop a comprehensive plan to combat drug addiction and drug business.

Special attention should be paid to the tide of Internet and telephone fraud.

Law enforcement agencies need to strengthen information and analytical work to identify and neutralize such threats.

It is also necessary to systematically improve the legal and financial literacy of citizens.

It is important to consistently step up efforts to uncover the underlying mechanisms, to search for the true organizers of the corrupt and shadow schemes of embezzlement of budgetary funds and the national wealth.

The Criminal Code and the Code of Criminal Procedure should be audited, and everything that does not work or hinders justice should be removed.

It is equally important that they are not subject to endless adjustments after they have been amended.

Since 2015, more than 1,200 amendments have already been made to the Criminal Code and the Code of Criminal Procedure.

It is unacceptable that the laws should be changed to suit the momentary situation or narrow corporate interests.

Therefore, the authority to adjust criminal and criminal procedural legislation should be transferred to the Ministry of Justice.

This will require strengthening human resources capacity and improving the quality of lawmaking activities of the agency.

Dear Compatriots!

Today we have outlined the key areas of the coming reforms. We have to reboot all areas of the state and society.

We are carrying out political modernisation in accordance with the fundamental formula “a strong President - an influential Parliament - an accountable Government”. Reforms in this direction will continue.

We will strengthen nationwide harmony, the partnership of government and society, following the concept of the “listening state”.

We should not focus on dividing lines, but rather consolidate for the sake of achieving ambitious goals. This is the deeper meaning of the idea of a New and Fair Kazakhstan.

We face the particularly important task of preserving the sovereignty and territorial integrity of the country.

To further strengthen statehood, we need cohesion. There is no other way.

The unity of the people has always been our most important value, which is even more important today.

Our people have always put peace and stability above all else.

At this difficult time, we must become even stronger in our unity.

That is why it is important to stop sowing mutual distrust and creating discord in society.

Dear Members of Parliament,

Dear compatriots!

I want to share with you some thoughts that have a direct bearing on the future of our state.

In today's geopolitical environment, we need to consistently strengthen our statehood, firmly pursue the course of reform and renewal.

In our actions, we must be extremely pragmatic and proceed from the long-term interests of the country.

It is extremely important to maintain the momentum of reforms, to solve all political issues without putting them off indefinitely.

To do this, we need to rationally build the upcoming electoral cycles.

As you know, the next presidential election is due in 2024 and the parliamentary election in 2025.

I believe it is necessary to begin a comprehensive reset of key state institutions in accordance with the new strategy.

This will allow us to intensify our joint work for the well-being of every citizen and the prosperity of the entire country.

The political tradition of the authorities keeping their plans secret from society must become a thing of the past.

That is why today I intend to publicly present a schedule for future election campaigns.

I propose holding a snap presidential election this autumn.

For the successful implementation of radical and comprehensive reforms aimed at building a Fair Kazakhstan, a new mandate of trust of the people is required.

For me, the interests of the state are paramount. That is why I am ready to go for an early presidential election, even though I am shortening my own term of office.

In addition, after much reflection, I have come to the conclusion that there is a need to review the number and length of presidential terms.

I propose that the President's mandate be limited to one term of 7 years without the right to be re-elected. What is the basis of this initiative?

On the one hand, 7 years is a sufficient period to implement any ambitious program.

On the other hand, limiting the presidential mandate to one term will ensure the maximum focus of the head of state on the strategic tasks of national development.

Life does not stand still, the dynamics of global processes and social development within the country are accelerating every day.

The constitutional amendment I propose would significantly reduce the risks of monopolisation of power. This is why I propose the introduction of a one-term presidency.

We must establish civilized principles for the formation and functioning of government.

The new presidential system will strengthen the political stability and sustainability of Kazakhstan's model of social structure.

After the elections, I will submit the initiative limiting the President's powers to one term to Parliament. If it is adopted, a new political era will begin in Kazakhstan.

Within the framework of political modernisation in our country, the development of parliamentarism is central.

The updated Constitution sets a whole new standard for a political system with fair and open rules of the game.

The registration procedures for political parties have already been greatly simplified.

New mechanisms for forming parliament and maslikhats based on party lists and single-member districts will be introduced.

In general, all the institutional changes envisioned by the constitutional reform should be legally completed by the end of the year.

They will lead to an increase in the number of political parties, strengthen political competition, and contribute to the emergence of a new wave of people's deputies.

Elected according to the old patterns, the representative bodies of power should be naturally renewed, passing through an extraordinary electoral cycle.

Therefore, I propose holding elections to the Mazhilis and Maslikhats of all levels in the first half of next year.

We will get a new composition of deputies representing the interests of broad groups of citizens. I am confident that this will improve the efficiency of the maslikhats and the Parliament.

In the future, the government will be able to include representatives not only of the political forces that received the majority of votes, but also of other parliamentary parties. This will allow the executive branch to make more balanced decisions that meet the needs of society as a whole.

Thus, the presidential election will be held this year, the election of deputies to the Mazhilis and Maslikhats will be held next year, and then the government will be formed.

As a result, by mid-2023 there will be a reset and renewal of all major political institutions: the President, the Parliament, and the Government.

We are building a Fair Kazakhstan with open competition and equal opportunities for everyone.

It is fundamentally important to conduct large-scale political change with transparency, honesty, and mutual trust.

The public announcement of the timing and sequence of the new electoral cycle is consistent with the principles of openness in decision-making.

All these steps consistently flesh out our basic formula of “a strong President - an influential Parliament - an accountable Government.”

The future of Kazakhstan is born today - in our words and deeds, intentions and actions.

Every day we make a choice between the old and the new, stagnation and development. I urge all my fellow citizens to rally around our national interest.

We will be a strong and successful nation when each one of us is united in every way and committed to the principles of justice.

The construction of a Fair Kazakhstan is just beginning. There is a thorny path ahead. This course is immutable and will be continued in all circumstances of internal and external nature.

There will be no place for idleness and sabotage, we will not deviate from the intended path!

Together we will build a Fair Kazakhstan!

The bright future of our sacred homeland is in our hands