

Bi-Annual report of  
Soros Foundation-Kazakhstan  
for 2008-2009

# **INTRODUCTION TO THE BI-ANNUAL REPORT OF THE SOROS FOUNDATION – KAZAKHSTAN**

Dear Readers,

You are holding the Bi-Annual Report of the Soros Foundation–Kazakhstan (SFK), a national non-profit charitable foundation that has been operating here since 1995. During the past fifteen years SFK has worked in various areas contributing to an open and democratic society.

We have been supporting a number of initiatives over the past two years with the aim of achieving social and economic justice and promoting democratic values. During this period, the Foundation has been working on the issues of transparency and accountability of the revenues of the extractive industries, oil and gas exploration and natural resources mining, to ensure public involvement in the development of the State budget; to advocate legal reform; particularly, justice for juveniles; access to free legal assistance; access to information; and the defense of the rights of vulnerable people. The Foundation has also been working to support the mass media and to improve the professional skills of journalists.

The Foundation tries to be responsive to ongoing reforms; but despite the positive performance of the last two years, a diligent analysis of our activities has led to the development of a new strategy for SFK for the years, 2010-2011. Within the new strategy, the Foundation envisions its role as a policy broker in public policy making, contributing to a tolerant, active society and a responsible, transparent government by developing partnerships between non-governmental organizations, governmental authorities, and business. Following this new role, SFK will facilitate a dialog between non-governmental organizations and governmental institutions, and develop contacts with international experts.

The secret of SFK's success in the current reforms is, first of all, in the people involved to achieve the common welfare of Kazakhstani society. Our success and achievements would be unreal without the active participation of the public in SFK competitive tenders. A large number of applications (871 in 2008-2009) certifies the urgency of the issues being considered and the citizens' concerns about their country's future.

The Board of Trustees of SFK governs its activities; by defining the key areas of operations. SFK experts, who are competent specialists in journalism, law, political science, culture, education, and business, are directly involved in facilitating and the implementation of our strategy by reviewing applications and making appropriate decisions on them.

The Board of Trustees, the experts and the staff of SFK believe in a society where State revenues and expenses are transparent, where society is involved into all stages of the revision and adoption of important programs at both the national and local levels, and where the rights of citizens are both protected by law and respected universally by all stakeholders.

This report is not just a description of work fulfilled during the last two years; it is also evidence of SFK's intentions to continue following the principles of transparency, accountability and justice.

**Anna Alexandrova**  
**Chair of the Executive Council**  
**Soros Foundation – Kazakhstan**





# **A SOCIETY RESPONSIBLE FOR THE PRESENT AND THE FUTURE OF THE COUNTRY**

**KAZAKHSTAN REVENUE  
WATCH PROGRAM  
(2004 – 2009)**

The Kazakhstan Revenue Watch Program (KRW), has been operating for five years, and aims to achieve transparency, accountability, and public involvement into the management of revenues from extractive industries. KRW was launched in January, 2004, and became a catalyst for public debates on the ‘resource curse’ phenomenon, and these initiatives. For this purpose, KRW contributed to the development of constructive cooperation between Government, the business community, and the civil society, and facilitated public discussions on changes to the work of both the Government and the extractive companies. The Foundation’s Strategy for 2010 – 2011 merges two SFK programs, i.e. KRW and Budget Transparency and Public Accountability into a new mega-program called Public Finance Transparency, in order to facilitate the implementation of integrated projects aimed at the advancement of transparency and accountability along the whole chain of formation and utilization of the revenues from extractive industries.

Birth of new life.  
Sergey Nepsha



## Overcoming the «resource curse»

SFK actively supports public initiatives aimed at monitoring the revenues from extractive industries and to advance the transparency and efficiency of the social investments made by these companies, and, works towards the development of the expert capacity of Kazakhstani non-governmental organizations (NGOs). SFK and many of its partners believe that such activities may help overcome the «resource curse».

Having financial and expert support from SFK, NGOs, such as the ones presented in the Coalition called «Oil Revenues – Under Public Oversight!», facilitate the implementation of the transparency principles of the Extractive Industries Transparency Initiative (EITI). In 2008, the Government issued its first EITI report; after careful study of the report, SFK and the Coalition drafted recommendations regarding the improvement of the EITI implementation. Most of the recommendations were accepted by the Government. Tengizchevroil, the largest oil company in Kazakhstan, endorsed the transparency initiative. Moreover, the recommendations related to increase the level of State control over the EITI implementation were also accepted. At regular meetings of the EITI stakeholders with the Prime Minister; these recommendations came into focus.

In 2008, SFK continued its activities in producing a series of film documentaries. The first

**The economic aspect of the “resource curse” refers to the situation when countries with an abundance of natural resources are, as a rule, less developed than those countries with fewer natural resources. Such countries are too dependent on global resource prices. The indicators of the “resource curse” often include the high level of poverty, corruption, social and political tension, and the potential for military conflicts.**

**The goal of EITI is to increase the transparency of transactions between Government and the companies operating in the extractive industries. In September, 2002, Mr. Tony Blair, the now former Prime Minister of the United Kingdom, proposed this initiative at the World Summit on Sustainable Development in Johannesburg, South Africa. The Republic of Kazakhstan joined this Initiative in 2005. The advantages for the countries that implement EITI include the best possible investment climate because EITI support sends a clear signal to investors and international financial institutions that each government is becoming more transparent. Transparency helps improve accountability and facilitates better economic and political stability.**

two films were related to EITI implementation and the issues of the Kazakhstani National Fund. SFK has donated funds to produce a third film entitled, «The Money Goes Down into the Sand»; a presentation of this new film took place in December, 2008, in the «Caesar» cinema in Almaty. The authors of this film, a creative group of the Central-Asian Strategic Management League, analyzed the efficiency of the social investments made by extracting companies. In January, 2009, the film was presented in Astana; at a conference where the representatives of extracting companies, national and local authorities, international organizations, and NGOs took part. The film was also screened during meetings in all six oil bearing regions of the country.

In 2009, the public witnessed the emergence of two new associations of NGOs dealing with issues related to the transparency of revenues from extractive industries: the national association „Azamattyk Kuryltai» consolidating most of the NGOs in Western Kazakhstan, and the association „EITI+» established in Southern Kazakhstan. The goal of these associations, is the same as

the goal of the Coalition «Oil Revenues – Under Public Oversight!», which is to participate in EITI implementation and to advance the transparency and accountability of other components along the chain of the formation and utilization of extractive industries revenues.

SFK initiated a broad informational and educational campaign to distribute knowledge about the Transparency Initiative, to share the implementation experience of EITI in other countries and the details of its implementation here.

## The Future is in Social Investments

Extracting companies do not hold public debates aimed to determine the objects of their social investments. The identification of financial aid projects is in most cases the prerogative of local authorities; at the same time, the representatives of the local communities are not involved into this process. In 2008, research results conducted under sponsorship by SFK in five oil bearing regions certified clearly that the citizens of these regions believed that many social projects are non-transparent and inefficient, and that they would like to be involved into the discussions on the identification and approval of financial aid objects.

Social investments are a topic that is most vital for the citizens of the oil bearing regions; despite multi-million dollar incomes generated by the active projects, most of the social issues remain unresolved. The proposal to include information on the social investments of extracting companies into the framework of EITI was made during an extended meeting of the Government on June the 4th, 2009, in Astana. The Prime Minister, Karim Massimov admitted to the need to improve the transparency of information about the social investments of extracting companies and called all parties to develop an appropriate framework of information disclosure. SFK provided expert and financial aid to the public organizations engaged in the technical develop-

**The film „The Money Goes Down into the Sand» is about people living in the oil bearing regions, whether or not their lives have changed as a result of the inflow of oil dollars, a significant part of which was supposed to satisfy the urgent needs of the local people. The film is about the five most expensive projects: an indoor swimming pool in Atyrau – US\$ 14.5 million; a sports and recreation center in Zhanaozen – US\$ 14.0 million; an electrification project in Atyrau – US\$ 12.0 million; the construction of a Kazakh Drama Theater in Uralsk – US\$ 10.5 million., and the construction of a vocational-technical school in Kulsary – US\$ 9.0 million. The inhabitants of these cities express their views on the need for such developments. The film is based on interviews with the representatives of municipalities, non-governmental organizations, and oil companies such as Agip KCO, Lukoil Overseas, Tengizchevroil, etc. all from three oil bearing regions: Mangystau, Atyrau, and Western Kazakhstan.**

ment of such a framework. In February, 2009, there was an announcement about the establishment of the multilateral Social Investment Management Board in Mangystau; the Foundation's partners became members of the Board on behalf of the NGOs. Negotiations are under way, involving the representatives of the North Caspian Operating Company (the project operator on the development of the huge minefield called «Kashagan»), the local authorities, and NGOs to establish a similar tri-lateral sustainable development board in Atyrau. So, the involvement of public representatives into the decision-making on the social development of the oil bearing regions and into the monitoring of the social investments of extracting companies is beginning to take concrete shape.

In 2010, Kazakhstan is expected to undergo EITI validation, an independent assessment as to whether the country's progress/ performance meet the relevant international standards. In June, 2009, during the preparatory stages, the Northern Kazakhstan Legal Media Center, with the support of SFK, the Revenue Watch Institute, and the Embassies of the United Kingdom in Kazakhstan and Kyrgyzstan, arranged a workshop to discuss EITI validation. The workshop was attended by the members of the National EITI Stakeholders Council, the representatives of the state administration bodies, extracting companies, public organizations, and experts. The speakers were representatives of the EITI International Secretariat and International Board.

This workshop not only gave a new impulse to prepare for the validation, but it also helped to invigorate the National Council's activities; afterwards, a meeting of the National Council took place, which established a validation workgroup and developed an action plan aimed at preparing for the validation. The workgroup actually took under its operating control, preparations for the validation, and, in July, 2009, the members of the workgroup prepared a set of the most important documents for the tender to select evaluators. On the basis of information obtained at the workshop, the representatives of the State authorities, the companies, and the public organizations are continuing their discussions about levels of compliance with the validation indicators.

SFK recognizes that EITI is only a tool in the resource transparency set and works to support the transparency of all components along the chain of generation and the utilization of revenues from extractive industries. The first component in the chain is the subsoil contracts signed by the Government and extracting companies. That is why SFK and its partners from NGOs advocate the disclosure of contractual terms and conditions concerning royalties paid by extracting companies to the Government. In order to enhance the public's awareness of the contract types and fiscal regimes

used in the oil industry, SFK published in 2008-2009 a guidance booklet entitled «An Agreement is Worth More than Money; Oil Contracts and Their Public Monitoring» prepared jointly with a group of authors from the Public Finance Monitoring Center (Azerbaijan).







Sunset.  
Valeriy Kaliev







Native land - sweet home.  
Adilet Smagulova

## **BUDGET TRANSPARENCY AND PUBLIC ACCOUNTABILITY PROGRAM (2007 – 2009)**

The Budget Transparency and Public Accountability Program (BTPA) operated for three years to ensure society's involvement in the oversight of budget spending efficiency and the improvement of transparency and openness of budgets at local and national levels. Its mission was to facilitate the active participation of the public and NGOs in the process of State budget development in Kazakhstan. In 2010, this program merged into the mega-program 'Public Finance Transparency'.



## The Country's Budget is Everyone's Budget

In 2008 and 2009, SFK continued to work to develop the capacity of Kazakhstan's NGOs in the field of the State budget under the Budget Transparency and Public Accountability Program (BTPA). Over these two years, more than 40 projects were supported, each aimed at promoting the principles of social justice, budget transparency, and public accountability. Project participants included NGOs, independent researchers, journalists, and representatives of the central and local executive and representative bodies.

The program operated in four main areas:

1. Assistance in promoting the principles of transparency of information concerning State budget expenditures;
2. The continued active involvement of NGOs into the State budget process in accordance with their specializations;
3. The enhancement of legal literacy and knowledge of State budget policies and analyses amongst NGOs and public officials;
4. Assistance in developing a robust interaction between the executive, representative authorities and NGOs to ensure the involvement of public into the State budget development process.

**The first area of activities** involved supporting the National Budget Network of Kazakhstan (NBNK) established in 2008 to ensure greater transparency of the State budget process and the accountability of the State authorities to the public. The NBNK was initiated by the BTPA and the most proactive representatives of the gen-

eral public, who are professionally involved into State budget development at various levels, including at city, district, and national levels.

The NBNK initiated a round table, which was attended by the representatives of the Accounting Committee, Deputies, and relevant ministries "Public Involvement into the Budget Process: Experience and the Prospects of Interaction with Central and Local Authorities". At a meeting of experts, the most successful NGO projects from all over the country were presented, those aimed at involvement into the State budget process. In its turn, the central and local executive bodies shared their experiences in improving the efficiency of the budget programs. In mid-2008, the NBNK proposed amendments to the draft Budget Code, which was adopted in December, 2008, and which came into force in early 2009. The main achievement of civil society is that Article 113 of the Budget Code now envisions the right of NGOs to examine citizens' levels of satisfaction with the services extended by the State and to use the examination results in their assessment of Governmental programs.

Also, within the first BTPA area of activities, was a successful research project aimed at ensuring the compliance of State budget reporting with the standards of the International Monetary Fund and the Organization of Economic Cooperation and Development (2008); as well as another project aimed at enhancing the transparency of the State budget process (2009). The latter project involved the training of 61 journalists from all regions in the specifics of the State budget process. In reality, this project was actually a competition for the best coverage of the State budget, which involved a contest of publications on this topic and facilitated the publication of more than 89 articles on the State budget process and civil involvement into its development.

<sup>1</sup> Since 1 January, 2010, the Public Finance Transparency Program of the Soros Foundation – Kazakhstan has succeeded the previously existing programs Budget Transparency and Public Accountability (early 2007 – late 2009) and Kazakhstan Revenue Watch (2004 – 2009)



**The second area of activities** involved the implementation of integrated monitoring projects aimed at addressing various social issues. In 2008 – 2009, the following projects were implemented:

- Analysis and Monitoring of the Efficiency of the State Program of the Development of Rural Areas in 2004-2010, 2008.
- Access to Quality Education: the Possibilities and Limitations for the Students of Rural Schools, 2008-2009.
- Monitoring of State Policies and Expenses Associated with the Supply of Pharmaceuticals to Citizens, 2008-2009.
- Education for Life in a Modern Society: a Kazakhstan Context, 2008-2010.
- The Monitoring and Analysis of State Youth Policy in 2004-2008, 2009.

As a result of these project implementations, recommendations were made to the State authorities, civil society and a broad spectrum of stakeholders.

**Within the third area of activities** in 2008, the BTPA Program, jointly with the International Budget Partnership (IBP), USA, conducted an inter-regional advocacy workshop for representatives of public organizations from Azerbaijan, Kazakhstan, Kyrgyzstan, and Mongolia, who are actively involved in the State budget transparency area. In 2008 and 2009, NGO Budget Schools were held on a regular basis; these schools helped enhance the professionalism and capacity of the public in various Kazakhstani states. In 2009,



for the first time in the Program's history, local experts acted as school trainers who, had previously been trained themselves during the "budget schools".

In 2008, in cooperation with "Process Consulting" (Moscow), who were engaged into the project and program assessment, held a workshop for Kazakhstani experts in the State budget area. Due to the transition to a new State planning technology, a need emerged to train budget area NGOs; so they could have a full range of budget monitoring and assessment skills and knowledge. The assessment workshop, particularly, its universal methodology that was applicable to the assessment of local and national budget programs, had a positive impact on the development of the initiatives, and enhanced the capacity of NGOs involved into the State budget process. After the workshop, several experts from amongst the workshop's participants were provided an opportunity to assess more than 30 State budget projects implemented during the period, 2005 to 2009.

Also, in 2008, a new upgraded web-site [www.budget.kz](http://www.budget.kz) was presented to the public, which is the first and only Kazakhstani electronic resource that contains information about the State budget process, its stages at all levels, and some possibilities for public involvement into the State budget process.

In 2009, SFK issued a new edition of the "Budget Guide" intended for all citizens of Kazakhstan who are interested in social expenditures from the State budget, and the modernization of the public finance system and who are not indifferent to the changes occurring inside the country. The Guide contains information about State budget related laws, and the budget process and its components, and gives some idea of how citizens, journalists, deputies, or civic activists could influence the budget process in their towns, villages, or at a national level. This edition is also helpful to NGOs interested in State budget analysis.

Projects implemented by partner NGOs within the framework of the Program were aimed at helping local authorities with the independent assessment of budget programs, providing recommendations for improvements, and assisting in the implementation of such recommendations. Two hundred and sixty Maslikhat Deputies attended training workshops held in Pavlodar, Eastern Kazakhstan, Karaganda, Kostanai, Atyrau, and Almaty states.

**Within the fourth area of activities,** an integrated partner project "Transparent Kazakhstan – Open Governance" was implemented. This project was based on the best practices developed under the project "Transparent Poland" and was aimed at developing and implementing "good governance" procedures at the local level with the involvement of citizens in three cities, including Ust-Kamenogorsk, Petropavlovsk, and Ridder. Activities under the project were focused on the introduction of the principles of transparency, public involvement, professionalism and accountability of the operations of the local executive and representative authorities, as well as an efficient feedback between State bodies and the population.

In late 2009, in association with the Public Healthcare Program of the Open Society Institute and the UNDP, SFK conducted an international workshop-conference on access to essential medicines and issues related to intellectual property. A number of countries face problems obtaining universal access to medical drugs for the treatment of a whole range of socially significant diseases. Obstacles in this sphere often include international and national legislation in the area of the protection of intellectual property, difficulties in setting up production, and the high cost of medications. In addition, during recent years, a proliferation of bi-lateral trade agreements have been concluded, whereby the Government assumed obligations to protect intellectual property. The workshop-conference was attended by representatives of Governmental institutions and civil society working

in the area of healthcare, trade relationships, and intellectual property protection in Kazakhstan, as well as a number of international experts to examine the consequences of these processes in Eastern Europe and the CIS countries.

### **1. Access to Quality Education: the Possibilities and Limitations for Children from Rural Schools**

In 2008, the Research Center “Sange” and a number of independent experts in the area of general secondary education implemented a research project “Access to Quality Education: the Possibilities and Limitations for Children from Rural Schools” with the support of SFK’s Budget Transparency and Public Accountability Program and the Education Support Program of the Open Society Institute. The study focused on the situation around rural and small-sized schools, financial management and resource allocation in the area of secondary education, as well as issues related to legal support and constitutional guarantees for the students of rural secondary education institutions.

The main issues related to educational system reforms are included into the “State Education Development Program for 2005-2010”. The total funding of education reform for this period will amount to almost KZT 331 billion, or US\$ 2.75 billion. Although funds allocated for education from 2000 to 2008 have increased 7 times in absolute terms, such growth in funding has not resulted in a significant improvement in the overall quality of education. As of today, the funding of education has been insufficient and it does not meet international standards (6-8 % of GDP); current State expenditures for education remain at the level of 3.5 % of GDP.

The funding, which is not in line with best practices, affects both the ultimate outcomes and the quality of educational process. In order to ensure better quality in the educational process, teachers often have to contribute their own

money to compensate for the deficit of funding. Based on expert assessments, rural teachers across the country contribute 4 % of the annual secondary education budget out of their own pockets. Thus, the small-sized schools are understaffed and the financial expenditures by teachers are quite high when compared to their salaries. In large rural schools expenditures amount to KZT 6.3 billion per annum. This happens because rural school budgets are not detailed and do not provide for all expenses, and there are no incentives to keep talented teachers in rural areas.

Many problems experienced by rural and small-sized schools are due to the closed nature and inaccessibility of the State budget. Students and their parents, teachers, and the population in general are not aware of the framework of local and national budget development and allocation. Due to the lack of such knowledge, they are not in a position to call upon the local authorities for accountability.

The efficiency of funds utilization could be enhanced by improving the transparency of the State budget and the accountability of local executive authorities, including educational bodies. The use of special teaching methods, such as distance learning, resource centers, teachers exchange, would also help to improve the methodology of rural schools education. Parental and trustee boards could significantly improve the quality of education by exercising public control over the quality of State services in the area of education and by their providing the Government with their recommendations for the further improvement of services.

The majority of schools in Kazakhstan (more than 55 %) are small-sized, i.e. since there are usually less than fifty students per school in total, the classes’ combine students of different ages at the same time into rooms that are not fit for classes. More than a quarter of all teachers throughout the country work selflessly in such schools, more than 424,000 students study there







Goalkeeper of our village!  
**Irina Bogacheva**

nationwide.

The study showed that children's access to education greatly depends upon their place of residence. The quality of the teaching, teaching supplies and the conditions of the school infrastructure and communications deteriorates in direct proportion to the remoteness of a school from a district center. As a rule, the further a rural school is from the center, the worse is the quality of education.

The report provides a comparative analysis of the urban, rural, and small-sized schools as to their funding, material conditions, and the qualifications of the teachers. The report also provides a number of recommendations for the improvement of the administrative structures of the educational system.

The support provided by the Ministry of Education and Science to this study shows that the Ministry is ready for cooperation, through its openness and interest in the recommendations to further improve the secondary education system. Success in this area can only be achieved as a joint effort on the basis of multilateral cooperation, open discussion, and public involvement into the process of modernization of the educational system.

## **2. The Project "Analysis and Monitoring of the Efficiency of the Implementation of Youth Policy in Kazakhstan, 2004-2008"**

In 2009, SFK, within the framework of the Budget Transparency and Public Accountability Program, initiated the implementation of a new monitoring project "Analysis and Monitoring of the Efficiency of the Implementation of Youth Policy in Kazakhstan". This project contains a comparative study of the implementation of State youth policy for the period, 2004-2008, including monitoring, budgetary analyses, and public assessment of the implementation of programs related to youth policy at the level of the cities under

state subordination, states, and at a national level.

The goal of the project is to identify the needs of youth and youth organizations, to facilitate the involvement of youth organizations into State budget monitoring and analyses, as well as to develop and promote recommendations and proposals concerning the concept of the State youth policy under development.

The following two main tasks have been fulfilled under the project:

- Comprehensive analysis and monitoring of youth policy;
- Ensuring dialog between youth NGOs, associations, and Governmental structures.

The project operators were public youth associations “The Youth League “Ansar”, Karaganda, and the “Independent Generation of Kazakhstan”, Atyrau, as well as 12 youth organizations from other regions. Upon completion of the project, a report on the fulfillment of the State budget program was prepared and a round-table talk was arranged to discuss issues associated with State youth policy.

### **3. The Project “Monitoring the State Policy and Expenditures in the Field of Pharmaceutical Supply to RK Citizens”**

SFK initiated a tender for the implementation of projects in the area of monitoring and analysis of pharmaceutical supplies into Kazakhstan. As a result of the tender, the project was awarded to the Public Foundation “Aman-Saulyk”. The project was also supported by the Ministry of Healthcare and the Committee for Pharmaceutical Control under the Ministry of Healthcare.

The primary project objective was to improve pharmaceutical supplies to citizens. The project tasks were to conduct monitoring and analysis of the supply of pharmaceuticals to socially vulnera-

ble categories of the population within State budget expenditures by way of “hot lines” established in six regions; to set a dialog amongst the State, the public, and business structures operating in the pharmaceutical market to discuss issues for improvement of supplies to citizens.

The activities under the project were conducted in partnership with domestic and international scientific centers, NGOs, and pharmaceutical market entities; these activities were regulated by the Memorandum on increasing access to medications and the Joint Action Plan for major stakeholders on access to essential medicines.

The ultimate beneficiaries of the project were the citizens of Kazakhstan, in-patients and out-patients, representatives of vulnerable categories of the population, who were entitled to a free and preferential pharmaceutical supply (children, pregnant women, retirees, low-income citizens, the disabled, people with socially significant diseases, people in detention, servicemen, etc.). The target groups were the representatives of Parliament, the managers and officers of the Government, the Ministry of Healthcare, the Committee for Pharmacy, Pharmaceuticals and the Medical Industry, and the Division of Pharmaceutical Control under the Ministry of Healthcare, the Ministry of Economy and Budget Planning, the Anti-Corruption Committee, City Administrations and a broad circle of stakeholders.

As a result of this project, there were 3,117 “hot line” calls made during the period, November 2008 to April 2009 (six months) by consumers of medical services, including 2,187 calls (70.2 %) concerning the lack of pharmaceutical supply within the framework of guaranteed free medical aide. The majority of complaints came from retired people (50.6 %), the disabled (25.7 %), as well as parents of children under 5 years of age (11.4 %) and wounded veterans of World War II (3.9 %). These categories ask for medical aide more often and they represent the categories of citizens who are legally entitled to pharmaceutical benefits.



The study shows that the majority of complaints about pharmaceutical supplies came from outpatients; 50.6 % or 1,106 people.

Public hearings were held in the cities covered by the "hot lines" (Almaty, Kyzylorda, Semei, Atyrau, Karaganda, and Petropavlovsk), which were attended by representatives of the divisions and departments of healthcare of states and cities, representatives of public associations, pharmaceutical companies, as well as representatives of communities. The total number of attendees exceeded four hundred people.





# A SOCIETY THAT ASSERTS ITS RIGHTS AND FREEDOMS

## LAW REFORM PROGRAM

The Law Reform Program was created in 1996 to assist in promoting the rule of law and improving national legislation's conformity with international standards in the field of human rights protection and the delivery of justice. Five years of work (2003-2008) on issues of juvenile justice were completed successfully with the national concept of juvenile justice development for 2009-2011; approved by the President. In 2008, a new strategy for the Law Reform Program for 2008-2011 was adopted. According to this strategy the Society for All Program was merged with the Law Reform Program, thus expanding the general program activities.



## Working with Society on the Way to Reforms

In 2008, SFK successfully completed the project “Juvenile Justice in Kazakhstan” which had a positive effect on its justice system and the welfare of children and teenagers. Soon after its completion, the Government made the transition to a new juvenile justice system across the country. On 17 April, 2007, the Legal Policy Council under the President (a national advisory body) discussed recommendations proposed by the experts of this project. Afterwards, the Ministry of Justice created a working group to develop the national concept of the development of a juvenile justice system and SFK took a proactive part in this process. As a result, a draft Concept of the Development of a Juvenile Justice System for 2009-2011 was developed. The concept envisioned a step-by-step action plan approved by President Nursultan Nazarbayev on the 19th of August 2008.

## The Right of Citizens to Access Information

In order to expand public access to information, SFK initiated a project to study the cases when requests for information filed by citizens and public associations had been declined. The Foundation also financed free law clinics to support those, whose rights to receive information were denied. A series of publications of European experts' views in the “Yuridicheskaya Gazeta” (“Judicial Newspaper”), a popular Kazakhstani legal publication, helped familiarize the professionals and broad circles of readers with international experience in the field of providing free legal assistance. In the course of the project “Study of the Access to Information in Kazakhstan”, the public organizations “MEDIALIFE” (Karaganda) and “Decenta” (Pavlodar) determined the extent of citizens' and legal entities' access to credible and detailed information when they filed their informational requests with State authorities. The increasingly frequent “no response” situation, as well as the existing practice of restricting access to information drew

**In August, 2007, before the concept was adopted, President Nazarbayev signed a decree to establish two juvenile courts in Almaty and Astana. When the new courts were established, the Supreme Court of Kazakhstan made a proposal to the Foundation to continue the training of judges within the framework of a pilot project and to provide expert assistance.**

**In December 2007, the Foundation arranged a training trip for a group of juvenile court judges to study the US juvenile justice system. The training helped the judges to study the problems of juveniles and understand the need for specialized courts.**

**On 25 June, 2008, the Parliament adopted the law on new juvenile courts and authorized the judges to start hearings. The hearing of the first case in a permanent specialized juvenile court took place in August, 2008. This event is the most significant and demonstrative achievement of the project “Juvenile Justice in Kazakhstan”.**

NGOs attention to the access to information topic. In the course of a large-scale study of the problem, the researchers found out that citizens faced a lack of credible information in the field of the environment, the State budget process, healthcare. The citizens' right to access information was being ignored, or information was provided in the form of citations from standard legal acts.

In total, 1,110 informational requests were filed; responses were provided to 48 % of those requests; full information was provided in only 31 % of the cases; incomplete information was provided by the State authorities in 10 % of the cases; and in 7 % of the cases the authorities refused to provide any information. Human rights activists think that a detailed analysis of data supports the need for a law “On the Access to Informa-



Youth of Kazakhstan.  
Irina Bogacheva

tion” establishing the timing for the processing of informational requests and a clear-cut framework in accordance with which State bodies would exercise their informational supply functions.

Other initiatives undertaken within the framework of the Law Reform Program were aimed at asserting citizens’ rights to healthcare and access to medications, especially for patients with potentially fatal diseases. Within this area, SFK assisted in creating a palliative care work group under the Ministry of Healthcare. In 2008, SFK supported a research project “The State of Palliative Care in Kazakhstan” implemented by the Supreme Public Healthcare School (the Ministry of Healthcare) and the NGO “Credo”. The data obtained in the course of this study disclosed that a huge amount of work in the field of palliative care is still to be done. The legal code “On the Health

of the People and the Healthcare System” provides the definition of “palliative care”; in addition, palliative care and home nursing is a part of guaranteed free medical care.

In 2010-2011, SFK’s efforts will be aimed at assisting in the development of palliative care standards. At the same time, and with the understanding that palliative care is a relatively new concept, SFK is planning to assist in the development and introduction of a palliative care learning module in higher education medical schools. SFK supports this area and assists in the development of specialized system which, after becoming a part of the national healthcare system, will facilitate human rights and patient rights protection. SFK considers palliative care, first of all, as the right of any human being to receive medical care, preserve human dignity, reduce pain and ease suffering,





World without drugs.  
Irina Bogacheva





the right to receive information about his/ her medical condition, the right of free choice, and the right to refuse medical treatment.

## On the Way to a Tolerant Society

SFK continued its work to keep records of discrimination and violations of the rights of people with non-traditional sexual orientation (LGBT) in Kazakhstan. In 2009, SFK initiated and sponsored a report on this situation; that is about the abuses of the rights of sexual minorities entitled “Unacknowledged and Unprotected: LGBT in Kazakhstan”. It was the first attempt to examine in more details the legal and social condition of LGBT and to assess Kazakhstan’s compliance with international human rights standards both in theory and in practice. This unique study allowed to evaluate the situation “in the field”, to meet with many proactive and devoted defenders of the rights of sexual minorities, to learn about the problems in the society, and to obtain evidence to the fact that some prefer the position of “silent inaction” with regard to LGBT problems. Within the general context, a sensitization workshop was held for journalists attended by representatives of more than a dozen members of the regional mass media. A closed presentation of this report was held for SFK partners, representatives of Governmental institutions, and the mass media.







Megaphones.  
Vladimir Zaikin

## **MEDIA SUPPORT PROGRAM**

The Media Support Program started its activities in 1996 assisting in the creation and development of the independent mass media, public organizations working in the field of freedom of expression. The Program also invested a lot of efforts into the professional development of journalists and media specialists, created platforms to discuss issues on media industry improvements.

The Program works to ensure freedom of expression by promoting freedom of speech principles in Kazakhstan. The main activities of the Program include the creation of conditions for a free and well-balanced expression of opinions in the mass media and in society, improvement of access to quality information, as well as the improvement of media legislation.





Fans.  
Valeriy Kaliev

## On the Way to Developing the Media towards Democratic Principles

During the last two years, in its work with media NGOs, SFK focused on advocating and where necessary defending freedom of speech and the democratization of Kazakhstan's mass media. SFK supported regional media NGOs, and encouraged long-term educational programs in the field of economic journalism. In addition, SFK deemed it important to reinforce the capacity of the regional independent mass media and to assist in the improvement of the qualitative level of independent publications in the Kazakh language.

SFK assisted in establishing media centers in the regions aimed at creating conditions for consultations, education, and legal support. The media centers lawyers represent the interests of journalists in courts. For instance, the Public Foundation

“MEDIALIFE” in Karaganda won around 10 lawsuits to a value of KZT 80 million over the last 2.5 years; the Public Foundation “Adil Arka” managed to reduce amounts claimed in more than 10 lawsuits filed against the mass media. With support from the Mass Media Network Program of the Open Society Institute, and the International Freedom of Speech Protection Foundation “Adil Soz” monitors freedom of speech and provides legal assistance to the mass media.

SFK also made efforts to exert a positive influence on the information policy of Kazakhstan. In 2009 a country-wide study of the needs of the regional mass media was conducted, based upon which recommendations were produced for editorial offices, NGOs, and donors on how to improve mass media development strategies. The study produced a collective portrait of the country's mass media – “Journalists through the Eyes of Journalists” – and allowed the actualization of



many issues facing the professional community. The data obtained in the course of the project is already being used at various events and projects.

Considering the importance of ensuring the right to choose information sources and of reinforcing the economic freedoms of citizens, a project on counteraction against forced subscription was implemented. There is a trend forcing people to subscribe to regional newspapers, so there was a public campaign to explain to people that they have a right to choose which newspapers they may subscribe to, to make their own decisions”.

The popularization of ethical issues in Kazakhstan’s mass media, the development of mass media self-regulatory bodies, support in the development of the ethical codes for editorial offices became possible in Karaganda State in cooperation with the OSCE. A Public Council on Ethics was established and within a short period of time, the Council reviewed several complaints; some disputes were settled following an out-of-court procedure. As a result of the consideration of one of the complaints, the complainant withdrew his KZT 20-million lawsuit. Twenty mass media organizations in Karaganda State adopted ethical norms in the work of their editorial offices.

Considering Kazakhstan’s commitment to make a transition to digital broadcasting by 2015, SFK is also addressing issues related to this transition. Therefore, SFK supported projects aimed at sharing experience, the training of specialists, the provision of expert assistance, and the support of discussion in this field. With the support of SFK and the Mass Media Network Program of the Open Society Institute; a training trip to Ukraine was organized for representatives of State bodies, NGOs, the directors of regional TV stations, and journalists aimed at sharing experiences in this field. As a result, a work group was created under NAT Kazakhstan. A conference was also held and conditions were created for the participation of the civil society in discussing the main documents.

**«... We saw for ourselves how the Polish economic mass media works; we were given a lot of practical advice, so we could compare the development of the Kazakhstani and Polish mass media. This indeed is a precious experience for a journalist.**

**After the trip, I made a presentation in my editorial office to tell about the experience that I had obtained and about the trip in general. I decided to introduce fixed topical newspaper pages, the way they do it in Poland (economic news, legal and cultural pages, etc.). I created a new section “Kaleidoscope of Events” to be filled with news to Reuters standards. I held a mini-workshop for journalists in accordance with the standards of the Reuters information agency. I think that my enthusiasm will suffice for 2-3 more innovations in my newspaper. It will happen gradually”.**

*From a creative report of the project participant*

In cooperation with the Polish organization Think Point and the East East: Partnership Beyond Borders Program of the Open Society Institute; SFK, within the framework of a three year educational course “School of Economic Journalism”, trained 15 journalists in making balanced and professional economic reviews in the mass media.


SFK also supported reforms in the field of journalistic education. In 2009, a project was implemented aimed at introducing media law courses in the journalism departments of Kazakhstan’s higher education institutions. For this purpose, a methodological guide was drafted and university professors were trained. As a result of this project, universities agreed to put a media law course on the list of elective courses (Almaty, Semipalatinsk, and Karaganda).

Taraz Dulati University put the subject “Media Law” onto the main curriculum. Based upon the

“training-of-trainers” materials, the professors of this university held two workshops for graduating students on the topic of “Journalists and Conflicts”. The media law course is also on the curriculum of Atyrau Dosmuhamedov University, Kostanai Baitursynov University and the East-Kazakhstan Amanzholov State University as a main subject.

The course “Ethics, Legislation, and the Mass Media” was based on the lectures of the special course on the media law.

One of SFK’s areas under the Media Support Program is assistance in the development of independent Kazakh language journalism. For this purpose, a publication “The Guide for Journalists and Students Writing in the Kazakh Language” was supported. SFK actively worked to develop tutorials in the field of contemporary practical journalism and the preparation of professional literature in the Russian and Kazakh languages. As an example, the publication “Practical Journalism in Kazakhstan” is a contemporary textbook on practical journalism, which is also the first and the only practical textbook in the Kazakh language. The textbook contains materials written by the most experienced domestic journalists on the topic of journalistic skills whereby they share their experience and valuable advices. The textbook is on the list of recommended literature, and some universities have it on their lists of required literature. It has become a desk companion for many journalists.

For the purpose of promoting ideas related to the improvement of computer literacy and education in the field of informational technologies, SFK supported the first open educational non-profit conference “BarCamp Central Asia 2009”. This event brought together media activists, bloggers, web developers, and journalists from Central Asian and CIS countries to share their experience, obtain new knowledge, discuss global practices in the field of human rights legislation, and to facilitate the progress and democratization of the region and society. . 

## FUNDS ALLOCATION REPORT 2008

Expenditures	2008 (Tenge)
The East-East: Partnership Beyond Borders Program	20 688 747
The Legal Reforms Program	84 307 256
The Media Support Program	55 849 774
The Kazakhstan Revenue Watch Program	43 523 832
The Budget Transparency and Public Accountability Program	105 879 418
Other programs	17 178 557
Administrative expenses	68 836 369
<b>Total:</b>	<b>396 263 953</b>

## FUNDS ALLOCATION REPORT 2009

Expenditures	2009 (Tenge)
The East-East: Partnership Beyond Borders Program	25 412 024
The Legal Reforms Program	85 488 467
The Media Support Program	65 261 112
The Kazakhstan Revenue Watch Program	45 091 475
The Budget Transparency and Public Accountability Program	60 276 465
Other programs	52 287 771
Administrative expenses	105 628 741
<b>Total:</b>	<b>439 446 055</b>



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