



THE RESULTS OF THE PRESIDENTIAL ELECTION IN TURKMENISTAN AND STRATEGIC PRIORITIES

On February 12, 2017, the fifth presidential election was held in Turkmenistan. According to the Central Election Commission of Turkmenistan, the turnout in the election was 97.27% or 3,140,865 of registered voters. Gurbanguly Berdimuhamedov was reelected as the President for the third time with 97.69% (3,068,311) of votes. The presidential election in Turkmenistan was monitored by a total of 3,374 observers from the international and local organizations. Representatives of international organizations such as the Islamic Cooperation Organization, the Commonwealth of Independent States, the Shanghai Cooperation Organization, as well as local observers who monitored the election recognized the presidential election as open, free and democratic.

According to Turkmenistan's law on the elections, candidates for the presidency may be nominated by the political parties and the initiative groups of citizens who registered before the election date (Article 44). Candidates from groups of citizens must be supported by the signatures of at least 10,000 voters, with at least 300 signatures collected in each of at least a third of the country's districts (Article 46). A total of 9 candidates running for the presidency were officially registered. There are only three parties that are permitted to operate legally in the country. Therefore, Gurbanguly Berdimuhamedov, Bekmyrat Atalyev and Durdygulych Orazov were nominated as candidates from the Democratic Party of Turkmenistan, the Party of Industrialists and Entrepreneurs of Turkmenistan and the Agrarian Party of Turkmenistan, respectively. The other 6 candidates were nominated by the initiative groups of citizens: 1) Deputy Head of Mary province, Jumanazar Annayev; 2) Director of Seydi Oil Refinery, Ramazan Durdiyev; 3) Deputy Head of Dashoguz district, Meretdurdy Gurbanov; 4) Head of the Economic and Development Department of the Akhal province, Serdar Jelilov; 5) Chief Executive of the "Garabogazsulat" Association of the "Turkmenhimiya" State Concern, Suleimannepes Nurpepsov; 6) Deputy Chairman of the State Association of Food Industry of Turkmenistan, Maksat Annanepesov. The candidates nominated by the groups of citizens could receive only 2.31% (72,554) of votes in total. Maksat Annanepesov received the most votes among independent candidates, namely, 1.02%.

In recent years, as a result of the negative effects of the global crisis and low oil prices on most of the world countries, also on Turkmenistan, the economic slowdown started to affect the economy of Turkmenistan. Since no additional income was provided to the public budget, the government had to cut some of the social privileges (free use of electricity, natural gas, water, etc.). Moreover, according to the World Bank, Turkmenistan's GDP growth rate reduced to 6.5% in 2015 compared to 10.30% in 2014. However, existing socio-economic problems in the country were not negatively reflected in the results of the presidential election. The main reason for maintaining the stable political regime in the country is the presence of strong state institutions. Taking into account the Turkmen people's loyalty to the national traditions, it becomes obvious that the Council of Elders is among the key institutions that play an

important role in ensuring the political stability of the state. Therefore, it is not surprising that a new Constitution of the country was adopted at the meeting of the Council of Elders on September 14, 2016.

According to the updated Constitution, the upper age limit (seventy years) to be elected President of Turkmenistan was removed and the presidential term was extended from 5 to 7 years. Thus, according to the new Constitution, the President shall be elected directly by the people of Turkmenistan for a period of 7 years (Article 70). Moreover, every citizen of Turkmenistan, born in Turkmenistan, not younger than 40 years, who speaks the national language, has been living and working constantly in Turkmenistan for the past 15 years, can be elected as President of Turkmenistan (Article 69).

Gurbanguly Berdimuhamedov outlined his strategic priorities for the new term in both his electoral statements and official inauguration speech. Accordingly, Berdimuhamedov emphasized that he would give priority to politics based on the creation of "Advanced Industrial Society", thereby would aim to increase the people's welfare and the economic potential of the country. In this direction, Turkmenistan aims to develop industry, tourism and agriculture sectors and new technologies, as well as to increase investments in the fields of education, science, health and social services, and to strengthen local authorities.

Indeed, the key points outlined by Berdimuhamedov in his election statements and official speeches in terms of the state development can be summarized as follows: 1) *Industry Sector*: a) to give support to the industry sector by providing extra incentives, b) to prioritize the exploitation of hydrocarbon resources in the country; 2) *Agriculture Sector*: a) to increase the competitiveness of the agricultural commodities giving priority to their exports to the world markets, b) to continue the implementation of the National Rural Development Program and to establish a hydraulic irrigation system that will allow to increase the efficient use of water in the villages, c) to increase the number of areas in which halophyte is cultivated by creating new settlements around the Turkmen lake, 3) *Science and Education*: a) to provide young people with better quality of education, b) to attach importance to space researches by establishing research centers and providing these centers with the necessary technical equipment; 4) *Health and Social Service Activities*: a) to boost the social security benefits with necessary legal arrangements, b) to increase the number of health centers, health promotion centers and hospitals within the scope of the Health State Program, c) to give importance to lighting in provinces and districts and improving infrastructure facilities, especially roads, d) to make restructuring arrangements in the settlements in the country in order to meet the basic needs of the people living in these settlements, e) to increase the incomes of the people and to provide new job opportunities, f) to increase pensions, employee salaries, scholarships and other social benefits offered to the public, g) to increase the quality of family services, h) to establish recreation zones that will meet the needs of a population every 40-50 km along the main roads between the provin-

cial centers; 5) *Tourism Sector*: a) to accelerate the steps to reach the world standards of tourism and to restructure the health-sanatorium system, b) to accelerate the studies on the development of Awaza national tourist zone at the Caspian coast, c) to set up green recreation zones 40-50 km away from the riverside, d) to build well-developed holiday centers in the Kopetdag, Koitengaz and Sumbara valleys and in the Amuderya, Karakum and Murgab coasts; 6) *Strengthening Internal Politics and Local Governments*: a) to improve the political system of the country and to strengthen the local governments in order to achieve a further democratization process, b) to increase the influence and roles of the representative bodies of local self-government (Genesh) in the provinces and districts, villages and towns, c) to provide the necessary facilities for newly established political parties in order to make these parties to work more efficiently; 7) *Developing and Using New Technologies*: a) to train qualified personnel in the field of modern communication and multimedia technology, b) to ensure the use of new technologies to make hydrocarbon resources more efficient in the country; 8) *Investment in Renewable Energy Resources*: to invest in the development of solar and wind power, especially in the context of development of green energy in the country.

The aforementioned policies, which the President of Turkmenistan, Gurbanguly Berdimuhamedov aims to achieve in the next seven years, mostly focus on the ways to overcome the current problems of the country in both economic (providing additional revenue to the public budget) and security issues. It is well known that due to changing conditions in international gas market and other economic and financial problems, Russia has stopped buying Turkmen natural gas since January 2016. Moreover, Turkmenistan has limited natural gas supplies to Iran since January 2017 due to unpaid debts. Such a situation causes China to become the primary importer of the Turkmen natural gas. It also led to further reduction in gas revenues. Turkmenistan is willing to increase the energy security by actively supporting the projects such as TAPI and Trans-Caspian Natural Gas Pipeline, which envisage natural gas exports to India and the EU respectively. In this regard, taking into account the struggle between the regional powers, Turkmenistan will try to use different policy options in order to launch these two projects in the long term. In these circumstances, it is strategically important to ensure energy security in these routes. Therefore, Turkmenistan has identified the security and stability in the country and its immediate surroundings as fundamental strategic priority. Indeed, the President of Turkmenistan, in election statements, emphasized that by increasing cooperation with international organizations and modernization of the Armed Forces through the purchase of new weapons from foreign countries, Ashgabat would strengthen the fight against challenges such as terrorism, radicalism, cross-border organized criminal groups, illegal drug trafficking and corruption which are important threats both for Turkmenistan and the whole region.

Politics, Foreign Affairs and Security

- The President of Turkmenistan, Gurbanguly Berdimuhamedov, who was re-elected for the third term with 97.69% in February elections, signed the Resolution on Dissolution of the Government. The members of the Government were instructed to carry out their duties until the adoption of new composition of the Cabinet of Ministers.
- During his official visit to Dushanbe, the Deputy Prime Minister of Turkey, Tugrul Turkes, and the President of Tajikistan, Emomali Rahmon, discussed the developments and prospects of bilateral collaboration between the two countries in the fields of economy, trade, science and culture. The sides also exchanged views on expansion of bilateral co-operation in the fight against international terrorism and extremism and other transnational crimes.
- During his official visit to Belgium, the President of Kyrgyzstan, Almazbek Atambayev, and the King Philippe of Belgium discussed issues about bilateral cooperation, including strengthening the trade relations. Moreover, on the sidelines of his official trip to Brussels, the Head of Kyrgyzstan met the European Commission President, Jean-Claude Juncker, and the High Representative of the Union for Foreign Affairs and Security Policy, Federica Mogherini, to discuss issues on deepening trade-economic and cultural-humanitarian cooperation with the EU.
- During his official visit to Dushanbe, the Foreign Minister of Afghanistan, Salahuddin Rabbani, and his Tajik counterpart, Sirodjiddin Aslov, discussed the security issues focusing on strengthening bilateral cooperation on fight against terrorism, extremism and illicit drug trafficking.
- The Russian Chief of the General Staff, Gen. Valery Gerasimov, and the U.S. Joint Chiefs of Staff Chairman, Gen. Joseph Dunford, held a meeting in Baku. The parties outlined vectors of joint work aimed at easing tensions and preventing military incidents. The sides also exchanged views on the current state of the Russia-US relations, international security situation in Europe, the Middle East, North Africa and other important regions of the world.
- During the second round of Astana talks, Russia, Iran and Turkey decided to create a Joint Group as part of a trilateral mechanism to observe and ensure full compliance with the

ceasefire regime in Syria. It was also stated that joint Russia-Turkey-Iran group on ceasefire monitoring in Syria would include the UN experts.

Economy, Finance and Energy

- According to Kazakhstan's Ministry of Energy, the possibility of transit of the Kazakh oil through the Aktau port via Azerbaijan in the future will depend on its economic feasibility. It was also reported that in 2016, the Kazakh oil was not exported via Baku. Kazakhstan had previously transported oil by the Baku-Tbilisi-Ceyhan pipeline, as well as by rail from Baku to the Black Sea ports of Georgia.
- The Ministry of Oil of Iran reported that the country has doubled its natural gas output capacity since 2005 to about 284 billion cubic meters in 2016, 97% of which is methane and the remainder is ethane, propane, butane.
- Belarus's Bel Oil has bought 80,000 tons of Iranian Light and Heavy crude oil from National Iranian Oil Company (NIOC) for loading in February 2017. NIOC allocated 80,000 tons of oil to Bel Oil's subsidiary in Poland, namely, Bel Oil Polska. It was the first time Belarus bought Iranian crude oil. Looking for alternative crude oil supplies after Russia's cut Urals exports to Belarus, Minsk imported a total of 560,000 tons of sweet Azeri Light and CPC Blend crude oil via the port of Odessa supplied by Azerbaijan's SOCAR in 2016.
- The Kazakhstani state-owned energy company KazMunaiGas Exploration Production reported that its revenues in 2016 grew by 37% year-on-year and amounted to 727 billion tenge (\$2.128 billion). It was also noted that the increase was largely the result of the switch to the processing scheme and 54% increase in the average tenge-US dollar exchange rate, which was partially offset by 17% Brent price decrease.
- During the 5th Turkey-Azerbaijan-Georgia Business Forum held in Istanbul, the Turkish Deputy Economy Minister, Fatih Metin, announced that Turkey, Georgia and Azerbaijan plan to increase the volume of mutual trade up to \$20 billion. It was also noted that the trade turnover among Turkey, Azerbaijan and Georgia totaled \$4.2 billion in 2016. For instance, according to the Azerbaijan's State Customs Committee, the country's trade turnover with Turkey

amounted to \$2.3 billion in 2016, while the trade turnover with Georgia amounted to almost \$395 million. Turkey became Azerbaijan's main trade partner and Georgia ranked the 12th in 2016.

- The foreign trade turnover of Tajikistan reduced by 17% (\$51.6 million) year-on-year in January 2017 amounting to about \$252.3 million. Thus, the trade balance of Tajikistan was negative amounting to \$117 million in January 2017. The main trade partners of Tajikistan in January were Russia (\$67 million), Kazakhstan (more than \$61 million) and China (\$40 million).
- The Ministry of Economy of Kazakhstan reported that the country's trade turnover with the countries of the Eurasian Economic Union (EAEU) in 2016 decreased by 16.8% in comparison with 2015. In 2016, the trade turnover of Kazakhstan with the EAEU countries amounted to \$13.583 billion. The Kazakhstani exports and imports comprised \$3.917 billion and \$9.665 billion respectively.

Society and Culture

- The President of Uzbekistan, Shavkat Mirziyoyev, signed a decree, according to which the Ministry of Culture and Sports of Uzbekistan was reorganized into two separate bodies: the Ministry of Culture and the State Committee on Physical Culture and Sports. The decree also envisages the creation of the non-budgetary fund on development of culture and art.
- According to the Kyrgyz Foreign Minister, Erlan Abdyldayev, starting from May 1, 2017, the OSCE Centre in Bishkek will be working as the OSCE program office in Kyrgyzstan. The Centre's mandate was changed in accordance with a decision of the Permanent Council of OSCE, approved by all members of the organization.
- During the meeting with the Heads of the Organization of Islamic Cooperation (OIC) member-states diplomatic missions, accredited in Kazakhstan, the Deputy Minister for Foreign Affairs of Kazakhstan, Akylbek Kamaldinov, discussed the preparation process of the 1st OIC Summit on Science and Technology, which will be held in September 2017 in Astana.