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# Experience of the Republic of Kazakhstan on improving conditions for the development of exports to foreign markets

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

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## ABOUT THE REPUBLIC OF KAZAKHSTAN





- Kazakhstan is a state in the center of Eurasia, most of which belongs to Asia, the smaller part to Europe.
- The population is **18 million people**.
- The area of the territory is 2.7 million km<sup>2</sup>, which is only slightly less than Argentina. It occupies the **9th place** in the world in terms of territory, the 2nd place among the Commonwealth of Independent States (after Russia).
- The capital is Astana. The largest city with a population of more than 1.8 million people is Almaty.
- The official language is Kazakh. The official language used in the country along with the state language is Russian.

### RESOURCES

Currently, 493 deposits are known, containing 1225 types of mineral raw materials.

Kazakhstan ranks first in the world in explored reserves of zinc, wolframite and barite,

the second - uranium, silver, lead and chromite,

the third - copper and fluorite,

the fourth - molybdenum,

the fifth - gold.





#### TRANSPORTATION







Huge territory of the country 2.7 million km<sup>2</sup>, low population density, disunity of industrial and agricultural centers, as well as remoteness from world markets, makes the development of a developed transport system - vital for Kazakhstan.

- **Railway transport.** The length of railways in Kazakhstan exceeds 15 thousand km., 16 border points (11 with Russia, 2 with Uzbekistan, 1 with Kyrgyzstan, 2 with China) connect the railway system of Kazakhstan with neighboring states. Railway systems in Russia and Kazakhstan are highly interdependent.
  - *Air Transport.* In Kazakhstan, there are 22 major airports, of which 14 serve international transport. Most airports are not so highly loaded, the capacity of the republic's air navigation system now has more than fivefold reserves. Transit of cargo and passenger air transportation between Europe and Asia is of great importance for the industry.
- Automobile transport. As of May 2011, there are 3 264 400 cars registered in Kazakhstan. Kazakhstan has a network of roadways with a length of more than 96 thousand km. Over the past 10 years, Kazakhstan has adopted the practice of building autobahns, which are carried out on a paid basis.

#### **ECONOMICS**

GDP in 2017 - 158.2 billion US dollars, which is 15% more than in 2016.

Doing Business 2018 - 36th place

Net inflow of foreign direct investment in 2017 – 4.6 bln. US dollars which is 20% more than in 2015.

Kazakhstan is a developing country with a large export of raw materials. For example, in 2017, Kazakhstan's exports amounted to \$48.3 billion, of which 68% were commodities (\$32.7 billion), and 32% of non-primary goods (\$15.6 billion).

Basic Commodities:
crude oil - \$ 26.6 billion (share - 55%);
natural gas - 1.6 billion US dollars (3.2%);
copper - \$ 1.1 billion (2.2%);
wheat - 660.8 million US dollars (1.4%);
iron - 510.1 million US dollars (1.1%);
coal - 445.3 million US dollars (0.9%), etc.

Diversify exports towards non-commodity goods

<u>To make foundations of a legal framework with international organizations and with</u> third countries to improve access to the markets of foreign countries.

# MEMBERSHIP OF THE REPUBLIC OF KAZAKHSTAN IN INTERNATIONAL ORGANIZATIONS

#### **Commonwealth Independent States** – 2011

(Kazakhstan, Armenia, Belarus, Kyrgyzstan, Moldova, Russia, Tajikistan, Ukraine) The Agreement replaced more than one hundred bilateral documents regulating the free trade regime in the commonwealth space.

#### **Eurasian Economic Union** - 2015

(Kazakhstan, Armenia, Belarus, Kyrgyzstan and Russia) As a result of the action of the EAEU, each of the member states has unimpeded access to the general consumer market with a population of almost 200 million people.

#### World Trade Organization – 2015

Defend the interests of Kazakhstani producers in case of unlawful application of trade measures in relation to Kazakhstani goods as well as other members.

FTA signed:

- 1. Kazakhstan Serbia (2012)
- 2. EAEU Vietnam (2015)

Under negotiations: Iran, Singapore, Israel, and India

People's Republic of China

**European Union** 

# Thank you for your attention