BRI and Kazakhstan

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SDGs in Kazakhstan

1. **No Poverty**
   End poverty in all its forms everywhere for all people

2. **Zero Hunger**
   End hunger, achieve food security and improved nutrition and promote sustainable agriculture

3. **Good Health and Well-being**
   Ensure healthy lives and promote well-being for all at all ages

4. **Quality Education**
   Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

5. **Gender Equality**
   Achieve gender equality and empower all women and girls

6. **Clean Water and Sanitation**
   Ensure availability and sustainable management of water and sanitation for all

7. **Affordable and Clean Energy**
   Ensure access to affordable, reliable, sustainable and modern energy for all

8. **Decent Work and Economic Growth**
   Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

9. **Industry, Innovation and Infrastructure**
   Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

10. **Reduce Inequalities**
    Reduce inequality within and among countries

11. **Sustainable Cities and Communities**
    Make cities and human settlements inclusive, safe, resilient and sustainable

12. **Responsible Consumption and Production**
    Ensure sustainable consumption and production patterns

13. **Climate Action**
    Take urgent action to combat climate change and its impacts*

14. **Life Below Water**
    Conserve and sustainably use the oceans, seas and marine resources for sustainable development

15. **Life on Land**
    Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification

16. **Peace, Justice and Strong Institutions**
    Promote peaceful and inclusive societies for sustainable development

17. **Partnerships for the Goals**
    Strengthen the means of implementation and revitalize the global partnership for sustainable development
SDGs in Kazakhstan

National strategic documents covering the SDGs:

• Strategy – “Kazakhstan 2050”
• Concept on Kazakhstan becoming a part of the 50 most developed countries
• Five institutional reforms - «100 specific steps»
• State Programme «Nurly Zhol» and other strategies of state bodies.
SDGs in Kazakhstan

• 2016 report by UNDP mission: “...up to 61% of SDG targets were covered by national strategic documents.” (71 of 126 goals)

• July 2019 - Voluntary National Review on "Empowering People and Ensuring Integration and Equality" to achieve SDGs no. 4, 8, 10, 13, 16 and 17.

Out of 231 global SDG indicators:

• 72 available (32%)
• 32 initial data is collected (14%)
• 125 not available (54%)
BRI#1 Policy Coordination

• 2013 – the Economic Belt of the Silk Road announced in Astana, Kazakhstan
• 2015 – Nurly Zhol (Bright Road) national infrastructure plan, aimed at highway system and transit development
• 2015 - Joint declaration between China and Kazakhstan on conjunction of the Silk Road Economic Belt and Bright Road
• 2005-2016 – Chinese FDI in Kazakhstan reached $14bn
• 2015 – Chinese FDI stock in Kazakhstan reached $21bn (80% of FDI stock in the EEU)
• 2018 – 51 industrial projects with a total value of $27bn to be transferred from China to Kazakhstan
• Sectors: oil and gas, chemical, energy, mining, metallurgical, agricultural and machine-building sectors.
BRI#2 Facilitated Connectivity: Khorgos Gateway

8,445 km
BRI#2 Facilitated Connectivity: Khorgos Gateway

- New Eurasia Land Bridge Economic Corridor
- China – Central Asia – West Asia Economic Corridor
- Special Economic Zone
- Dry port – rail cargo transfer (3h in average)
- From 100k containers in 2017 to 500k in 2020
- 49% owned by China Ocean Shipping Company and the Chinese state-owned Lianyungang Port Logistics
- Managed by DP World (Dubai)
- 70% of all land transit between the EU and China currently passes through Kazakhstan
- $5bn per year by 2020 from goods transit
BRI#2 Facilitated Connectivity: Gas Pipeline to China
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2 parallel gas pipelines (1,300km)

   • 40bn metric tons of transit gas

   • 5bn metric tons for domestic use
   • 5bn metric tons for exports to China, will increase up to 10bn mt in 2019
   • $2bn - estimated revenue from gas exports
   • Possible extension to the West Kazakhstan for gas from Karachaganak gas field
   • CNPC owns 8.3% of Kashagan oil&gas field ($5bn in 2013)
BRI#2 Facilitated Connectivity

Kuryk seaport
- Special Economic Zone
- Port at Caspian Sea
- 1mn+ tons of cargo per year

Astana LRT
- construction of 22km light rail system in the capital city
- $1.6bn loan from the China Development Bank
- Chinese National Railroads
BRI#2 Facilitated Connectivity: Digital Silk Road
BRI#2 Facilitated Connectivity: Digital Silk Road

• 2017 - Announced at the B&R Forum in Beijing
• Support from Huawei, Alibaba and other Chinese IT companies
• 2018-2022 “Digital Kazakhstan” national program
• $0.4bn public funds allocated from the budget

Main directions:
• High-speed optic fiber network
• 5G network by 2020
• Data-processing centers
• Unified customs clearance system
• 2023 - KAZSAT-2R satellite for high-speed mobile connection
BRI# 3 Unimpeded Trade

- 2010 – Kazakhstan joins Customs Union with Russia and Belarus
- 2015 – Kazakhstan becomes WTO member #162
- 2015 – Kazakhstan, Russia, Belarus establish Eurasian Economic Union (EEU), later joined by Kyrgyz Rep. and Armenia
- 2018 - EEU sings agreement with China on conjunction of EEU and BRI ($100bn trade turnover in 2017)
BRI# 3 Unimpeded Trade

- 2017 KAZ-to-China: $5.8bn (#1 with 13% share) → see below
- 2017 China-to-KAZ: $5.2bn (#2 with 17% share)
BRI#4 Financial Integration

- Chinese banks in Kazakhstan:
  - Bank of China (1993)
  - ICBC (1993)
- 2011 - RMB-KZT swap agreement for $1bn (not used)
- 2017 – Altyn bank was acquired by China CITIC Bank (50.1%) and Shuangwei Investment (9.9%) – “For BRI facilitation”
- 2017 - Shanghai Stock Exchange acquired 25.1% in Astana International Exchange (AIX), Silk Road Fund has applied to become AIX shareholder
BRI#5 People-to-People Bonds

- 14,000 Kazakh students currently studying in the PRC
- 25,000 scholarships from Chinese government for Kazakh students to study in China
- 200 faculty members and students from Nazarbayev University invited to go to China for summer camps
- 5 Confucius Institutes in Kazakhstan
External Debt of Kazakhstan

In 2018:
- $12bn - Total debt to China
  - 7% of total external debt
- $6bn - Gov+SOE debt to China
  - 16% of Gov+SOE ext debt

Structure of the debt:
- $1bn – Gov debt
- $5bn – SOE debt
- $6bn – Interfirm debt
Thank you!