



INTEGRATED SDG INSIGHTS

KAZAKHSTAN

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.

HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT: KAZAKHSTAN

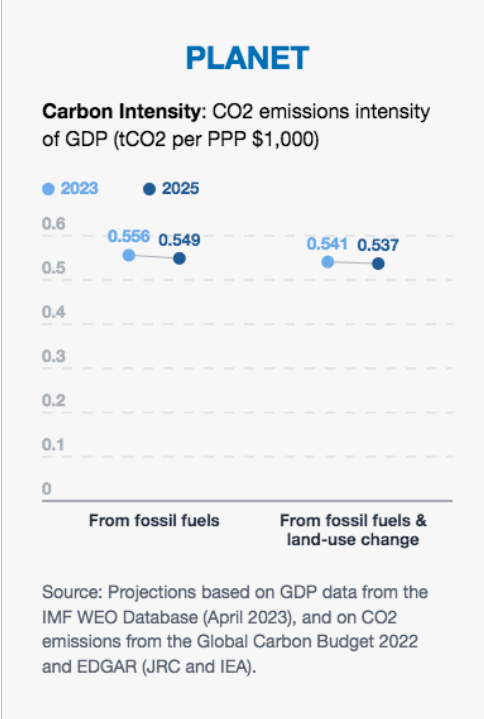
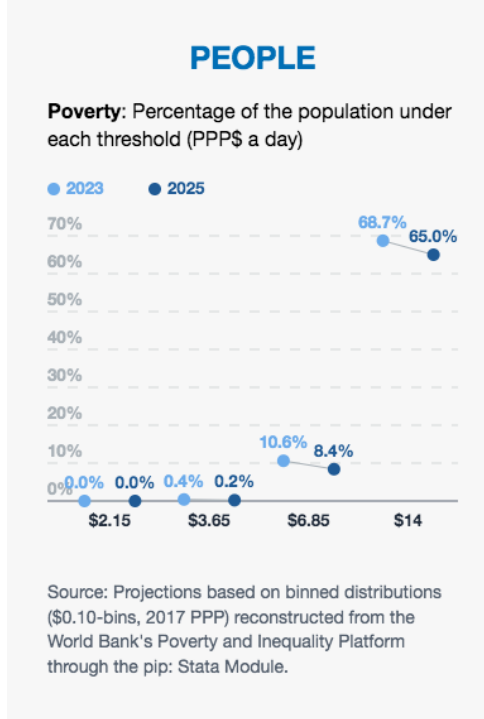
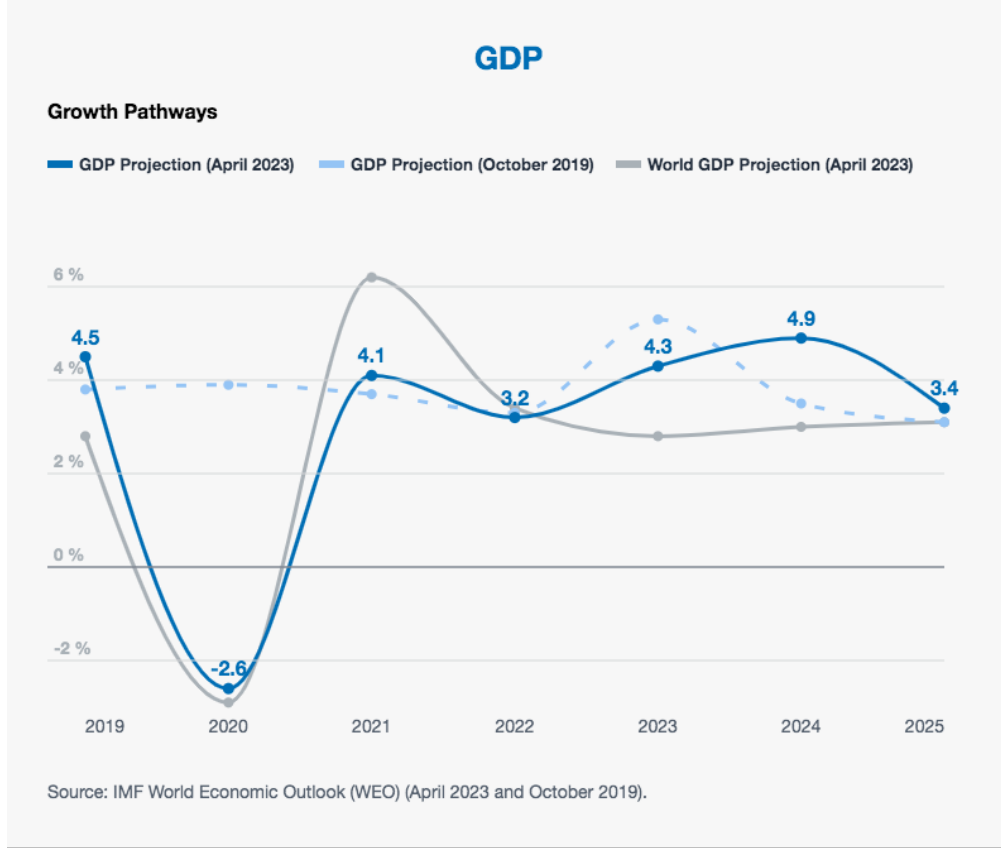
While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Kazakhstan’s economy is having moderate growth in 2023 and is projected to transition to acceleration mode in 2024 before coping again in 2025.¹ This projected pace of growth during 2023-2025 is characterized by being 42% higher, on average, than the global figure, and above the country’s growth trajectory projected before the pandemic. Accordingly, Kazakhstan’s commitments to achieving the SDGs are focused on increasing people’s well-being.

This pace of GDP growth is expected to contribute to the reduction of poverty at \$6.85 a day and to the share of people living under \$14 a day (i.e. in poverty and vulnerability-to-poverty). Moreover, the economic expansion would be somewhat less dependent on carbon emissions from fossil fuel usage as the country’s carbon emissions intensity of GDP is expected to decline at an annual rate of 0.7%.

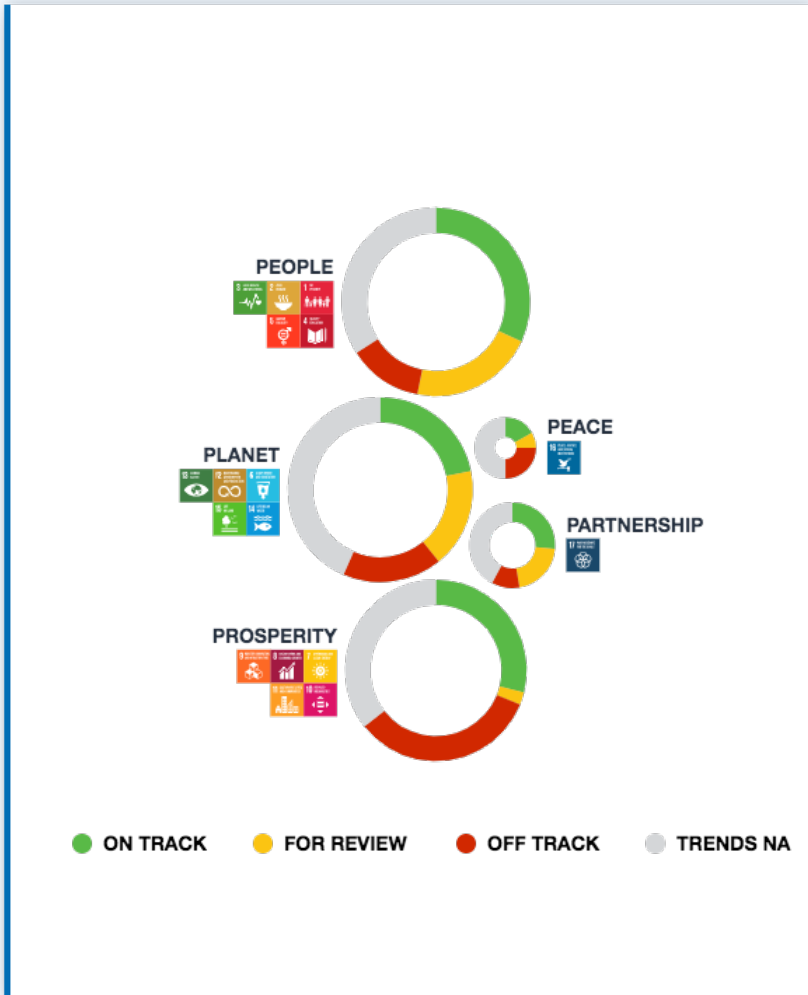
¹ The economic cycle is determined by adjusting the country’s current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

² CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



SDG TRENDS

Understanding how Kazakhstan performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.



Trends in detail:
<https://data.undp.org/sdg-push-diagnostic/KAZ/sdg-trends>

National Platform:
<https://kazstat.github.io/sdg-site-kazstat/en/>

SDG PRIORITIES

Kazakhstan’s national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



Priorities in detail:
<https://data.undp.org/sdg-push-diagnostic/KAZ/current-priorities>

- Key documents for analysis:**
1. Voluntary National Review 2022
 2. Strategy Kazakhstan-2050
 3. National Development Plan 2018-2025

SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Kazakhstan to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Kazakhstan's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Kazakhstan starting from the following entry points:

- Target 2.4: Sustainable food production systems
- Target 4.4: Skills for employment
- Target 7.2: Renewable energy
- Target 10.3: Policies for greater equality



ACCELERATION PATHWAYS



SDG INTERLINKAGES

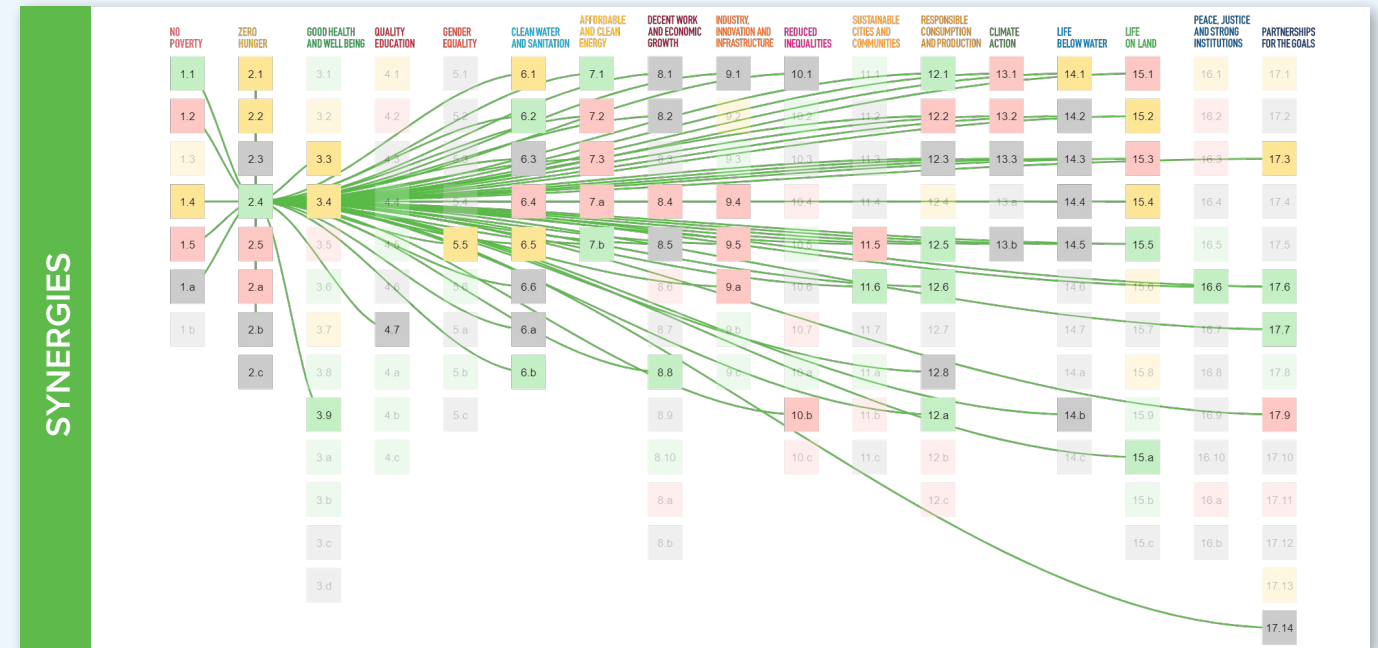
2.4: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality

Kazakhstan is a net exporter of food products, especially wheat. However, food production systems put serious stress on ecosystems and natural resources (Targets 12.2, 14, 15).

While generally water stress in Kazakhstan is lower than in some neighbouring Central Asia countries, much of the country's water resources go to agriculture (63%). Climate change will put a serious stress on food production systems through changing water flows. It will require adaptation to new conditions (Targets 13.2, 13.3).

Regional cooperation (Targets 17.10, 17.11) could be a key to increased value added of agricultural products and reduced pressure on natural resources, and to ensure women's full participation in agricultural practices and climate action (Target 5.5).

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Explore the interlinkages at:

<https://data.undp.org/sdg-push-diaqnostic/KAZ/synergies-and-tradeoffs>

SDG INTERLINKAGES

4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

In the age of rapid economic and social changes, ensuring relevant skills (Target 4.4) for youth is a crucial accelerator for the whole SDG agenda, as it can accelerate economic growth and make it more resilient. Kazakhstan had a high 15.8 expected years of schooling in 2021. However, the quality of education and equal access remain concerns. In the Program for International Student Assessment (PISA) 2018, students in Kazakhstan scored lower than the Organisation for Economic Co-operation and Development average in reading (387 vs 487), maths (423 vs 489) and science (397 vs 489). An analysis shows the significant isolation of disadvantaged students from high-performing students.

Addressing evident differences (Target 10.1) in education (see PISA 2018) the PISA study notes that expanding options for boys and girls will contribute to women’s empowerment (Target 5.5). Sustainable urbanization, including transportation services (Targets 11.1, 11.2), and targeted inclusion policies for disadvantaged groups (Targets 1.3, 10.3) will contribute to improving equality of opportunities.

Building future-proof skills improving employability and reducing skills mismatch are essential for achieving sustainable economic growth (Target 8) and reducing poverty (Target 1). This will promote equal access to the labour market for women/girls and men and the further empowerment of women to participate into the local labour market (Target 5.5), including by enhancing their access to Science, Technology, Engineering and Mathematics and ICT education (Targets 5.5, 5.b).

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SDG INTERLINKAGES

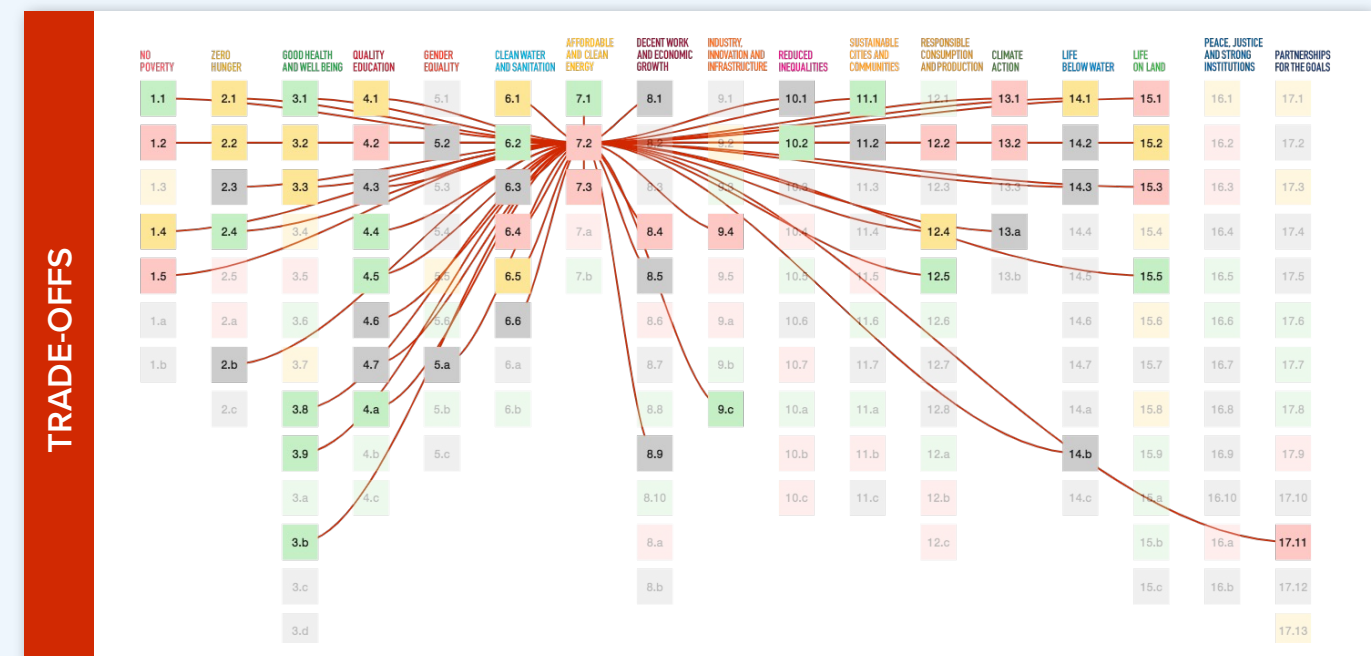
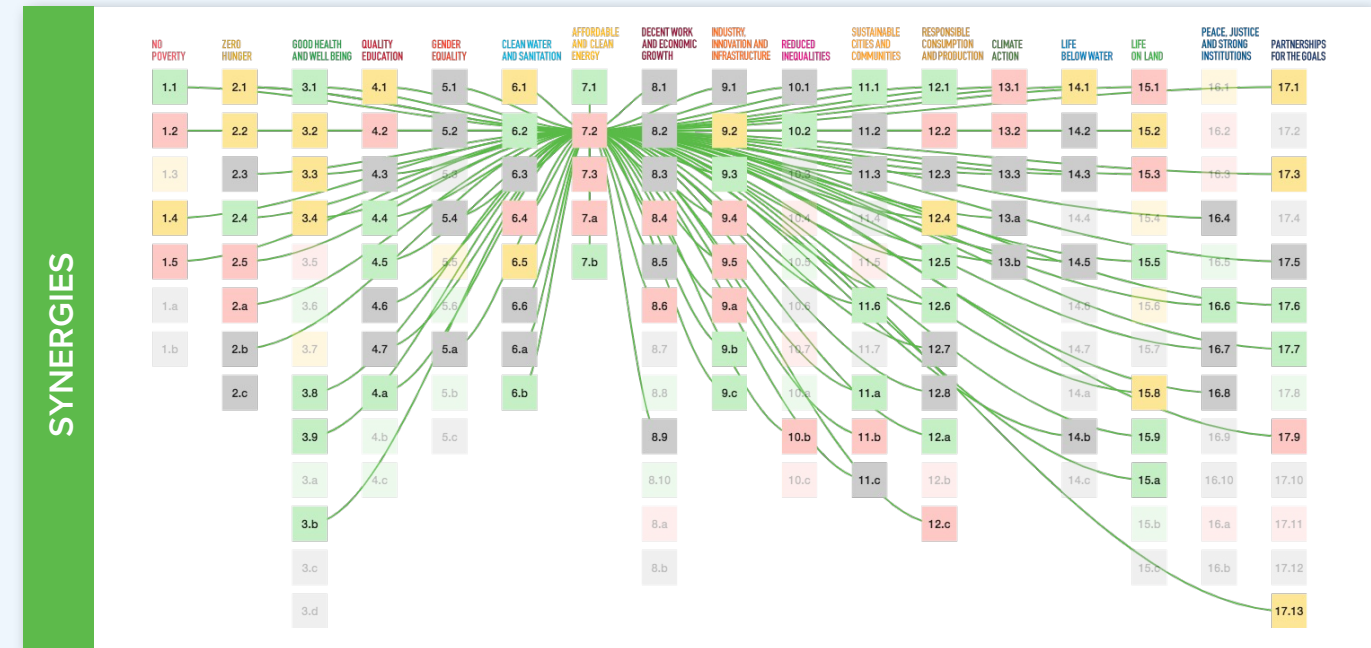
7.2: By 2030, increase substantially the share of renewable energy in the global energy mix

Access to affordable and sustainable energy is crucial for Kazakhstan’s development. The renewable energy share in the total final energy consumption hovered under 2% in the past decade. Coal represents some 50% of the total energy supply, followed by natural gas (some 30%) and oil (close to 20%). Energy prices do not take into account long-term marginal costs and environmental externalities. Energy efficiency (Target 7.3) deteriorated from 8.6 MJ/GDP* in 2010 to 5.38 in 2015 and remained at that level since then. An energy transition is required for the sustainable future of Kazakhstan’s economy.

However, an energy transition entails short-term costs. Energy price rises have a negative impact on the most vulnerable segments of the population (Target 10) and must be accompanied by policies to mitigate this impact (Targets 10, 1.3) for Kazakhstan.

Renewable and clean energy plays a crucial role in achieving health and gender equality outcomes (Targets 3, esp. 3.9; 5, esp. 5.1., 5.2., 5.4., 5.5, 5.a). Sustainable energy sources contribute to mitigating climate change by reducing greenhouse gas emissions (Target 13), promoting renewable energy, and supporting the transition to a low-carbon economy (Target 12). Industrialization (Target 9) will put further demand on ensuring universal access to affordable, reliable and modern energy services, and there will be possible trade-offs between the availability of energy and the use of renewables (Target 7.2).

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<https://data.undp.org/sdg-push-diagnostic/KAZ/synergies-and-tradeoffs>

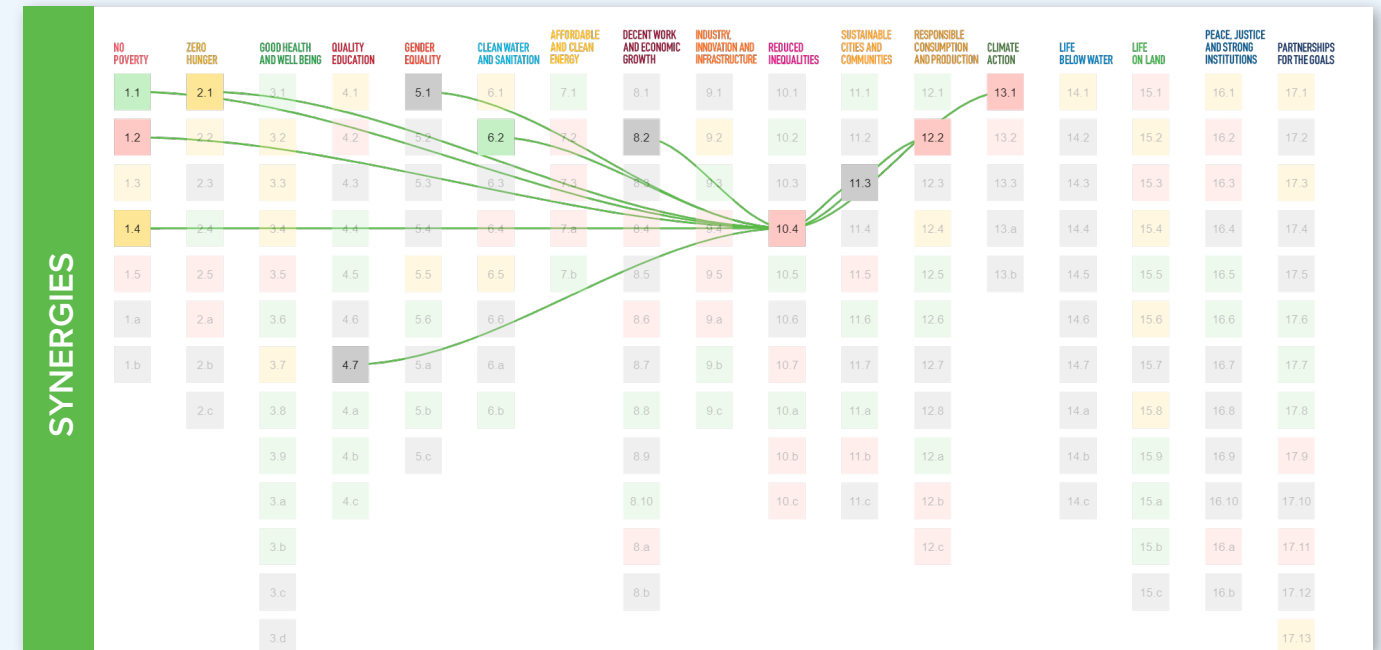
SDG INTERLINKAGES

10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

SDG 10.4 calls for the adoption of policies to progressively achieve greater equality in Kazakhstan. The size of Kazakhstan and the variety of its socio-economic and environmental conditions are driving forces of inequalities, amplified by the varying availability of infrastructure (Target 9).

Achieving SDG 10.4 has synergetic links with various other SDGs, such as SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), and SDG 8 (Decent Work and Economic Growth), as reducing inequality contributes to poverty eradication, improves health outcomes and advances sustainable economic development. SDG 10.4 is also intrinsically linked with greater gender equality (Targets 5, esp. 5.1, 5.4, 5.5, 5.b) and women’s empowerment.

However, pursuing greater equality may require trade-offs in terms of fiscal adjustments and resource allocations (SDG 17).



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/KAZ/synergies-and-tradeoffs>

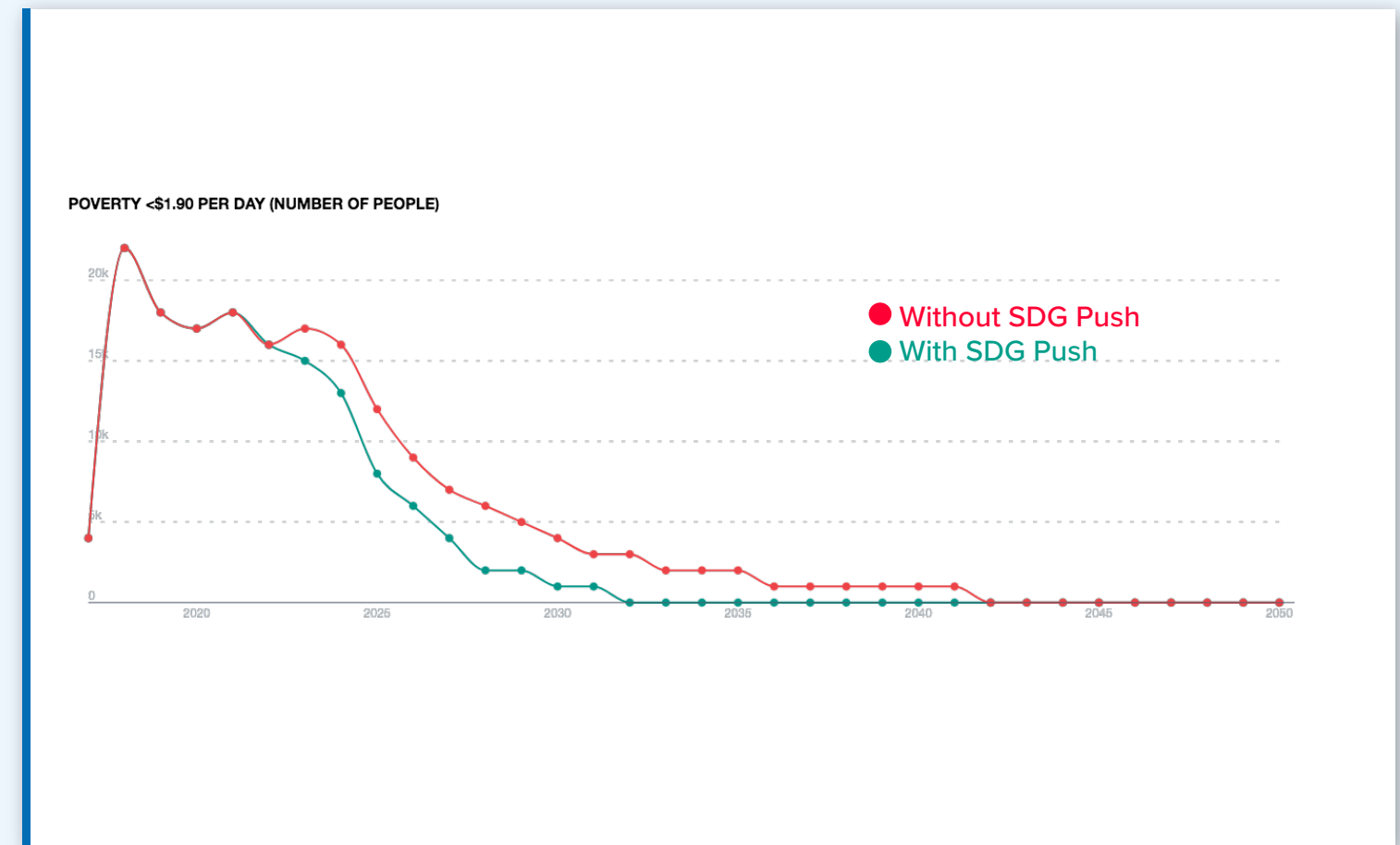
FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, the Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Kazakhstan can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	4,00	0
With the SDG Push	1,000	0



Explore SDG Futures Scenarios at:

<https://data.undp.org/sdg-push-diagnostic/KAZ/future-scenarios>

FINANCE & STIMULUS

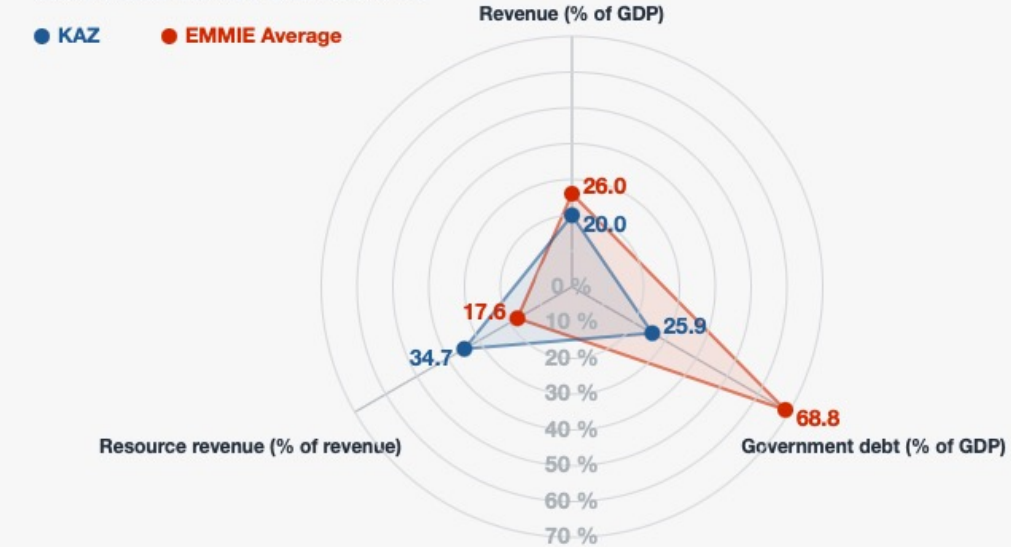
Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP and the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue and the country's sovereign credit rating and 10-year bond yield.

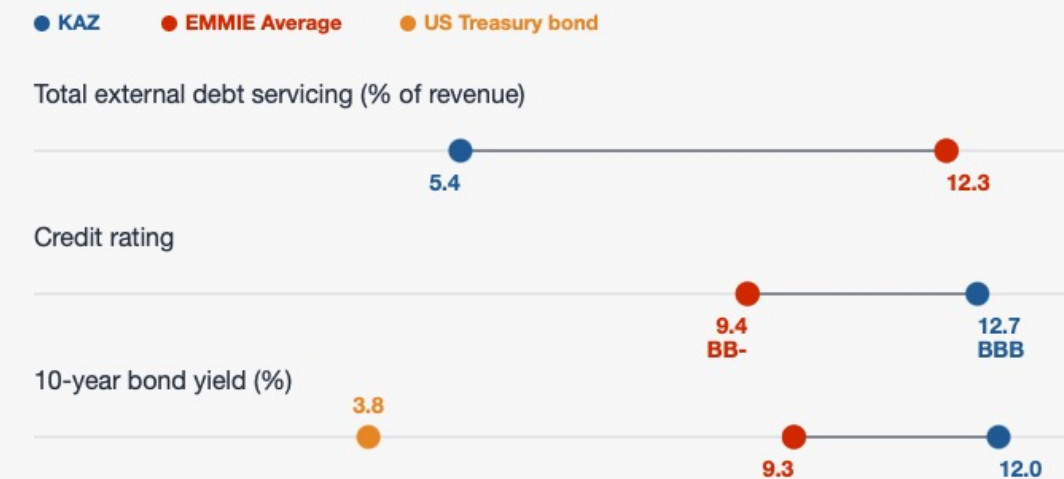
Kazakhstan's gross government debt, projected at 25.9% of GDP in 2023, is nearly 43 percentage points (pp) below the emerging market and middle-income economies' (EMMIE) average of 68.8%. The country is projected to collect 20% of GDP in revenue this year – 6 pp less than the EMMIE group of 26% – with natural resources accounting for more than one-third of revenue.

Kazakhstan's public external debt servicing relative to revenue, at a projected 5.4% this year, is less than half the EMMIE group's 12.3%. The country's credit rating is assessed as 'lower medium investment grade' and hence significantly above the EMMIE average of 'non-investment grade speculative'. However, the country's 10-year bond yield is trading at 12% – 2.7 pp above the EMMIE average of 9.3%, and 8.2 pp above a 10-Year US Treasury bond.

LOW-FREQUENCY INDICATORS



FINANCIAL INDICATORS



Notes: External debt covers public and publicly guaranteed debt. The EMMIE average of resource revenue (% of revenue) includes the 60 economies that reported data for that indicator, that of 10-year bond yield (%) includes 30. The credit rating shows the numerical average of S&P's, Moodys', and FITCH's ratings, expressed in S&P's scale in brackets.

Sources: UNU-WIDER GRD (resource revenue, data from 2018), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), worldgovernmentbonds.com and Haver Analytics (yields as of 8 June 2023), S&P, Moodys and FITCH (credit ratings, data from 2023).

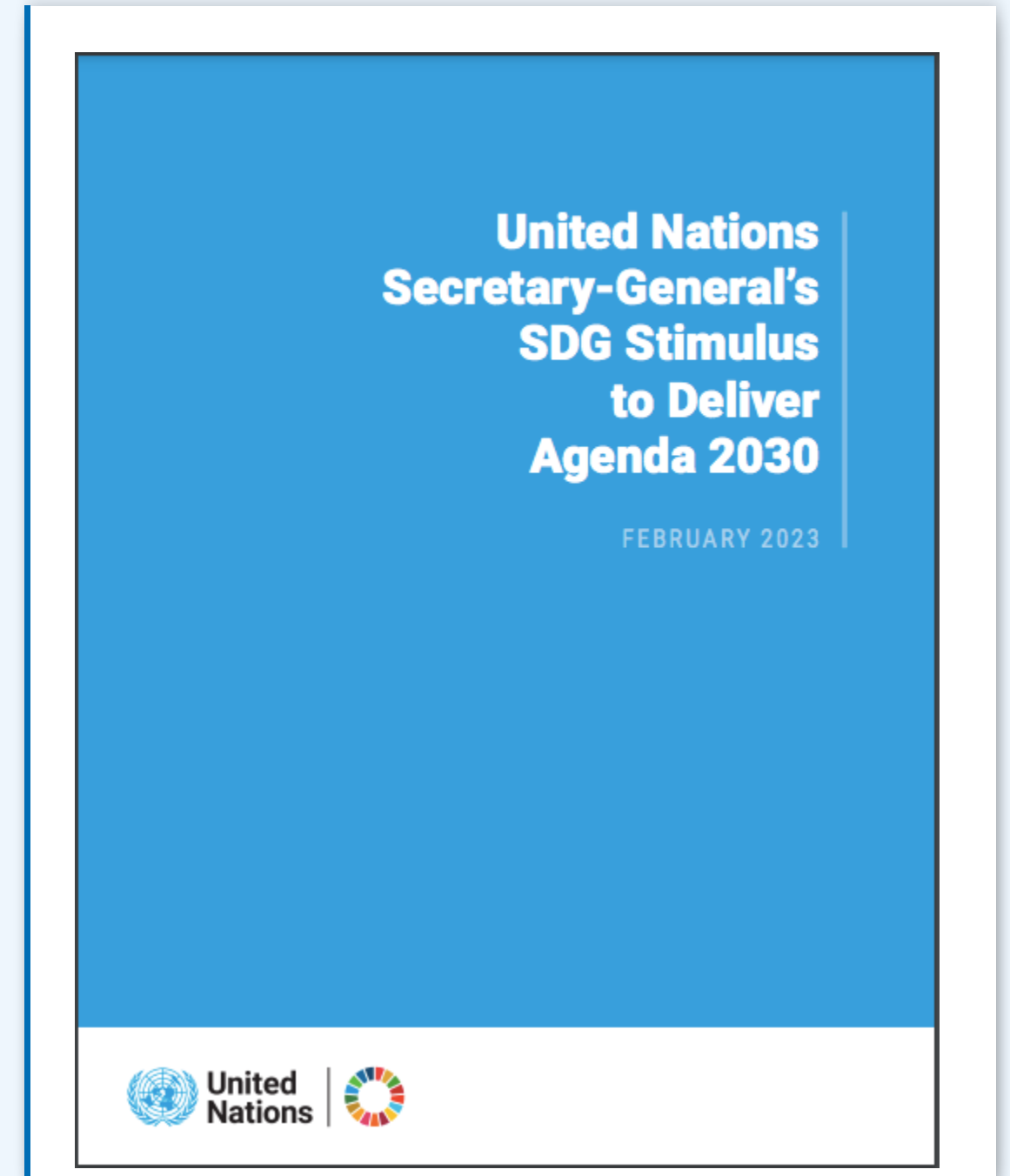
SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Kazakhstan, possible funding options for the investments derived from the identified interlinkages are as follows:

- Streamlining of the financing pattern towards the renewable energy sector from the current suboptimal mix of tax expenditures and budget expenditures on fossil fuel subsidization:
 - Stimulus for renewable energy investments via increased effectiveness of the tax expenditures/incentives, investment in de-risking mechanisms and targeted support to vulnerable groups
 - Reprioritization of state budget expenditures towards priority SDG targets via introduction of SDG budget tracking and SDG-aligned budget formulation/approval mechanisms
- Tax and revenue reform
- Debt for SDGs
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance
- Remittances, philanthropy and faith-based financing



METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



SDG MOMENT

Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO₂ emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



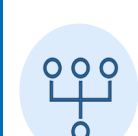
TRENDS & PRIORITIES

Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



INTERLINKAGES

Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



FINANCE & STIMULUS

Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).