



KGIR 2024: Kazakhstan, a Hub of Opportunities for International Investments and Partnerships with Switzerland

On November 1, 2024, Kazakhstan, the largest economy in Central Asia, hosted the annual Kazakhstan Global Investment Roundtable (KGIR) in its capital, Astana, showcasing the nation's investment opportunities and challenges amid the current global geopolitical landscape. Since its inception in 2017, this event has brought together over 500 participants each year under the auspices of the Prime Minister. As a strategic platform connecting government leaders and the international investment community, KGIR provides a unique opportunity to explore and understand Kazakhstan's investment landscape and the advantages of engaging in key sectors of its economy.

Kazakhstan's favorable investment climate and commitment to expanding its economic base have recently demonstrated impressive results, with \$28 billion in foreign direct investment (FDI) attracted in 2022, a 17.7% increase from 2021. This positive trend continued through the first nine months of 2023, with FDI reaching \$19.7 billion, underscoring Kazakhstan's efforts to create a stable and attractive environment for foreign investors.

Economic Partnership between Switzerland and Kazakhstan

Switzerland plays an important role in Kazakhstan's economy as the third-largest foreign investor. Between 2005 and 2018, Swiss investments in Kazakhstan amounted to \$23.2 billion, primarily in the energy, raw materials, and financial services sectors. This level of investment highlights the

strength of economic ties and mutual trust between the two countries, paving the way for increased cooperation in emerging fields such as green technology and digital innovation.

In November 2021, bilateral economic relations were further reinforced through the signing of agreements in Geneva aimed at promoting trade exchanges and consolidating partnerships, illustrating Switzerland's commitment to fostering robust economic relations with Kazakhstan.

Positioning as a Key Logistics Hub

Current geopolitical tensions, particularly between Russia and Ukraine, have opened new opportunities for Kazakhstan, positioning it as an increasingly attractive alternative for companies looking to expand in the region. Thanks to its strategic location and neutral stance, Kazakhstan has become an essential link in the supply chain between Europe and Asia, benefiting from diverted trade routes and investment interests as businesses seek stable alternatives.

Throughout the KGIR presentations, particular emphasis was placed on the development of the Trans-Caspian International Transport Route, or Middle Corridor, a key initiative aimed at strengthening trade between Asia and Europe. These infrastructure enhancements are designed to streamline logistics, reduce transit times, and lower transportation costs, creating a more favorable environment for foreign direct investment and reinforcing Kazakhstan's appeal as a regional trade hub.

Commitment to Sustainable Investments

Minister of Industry and Construction Kanat Sharlapaev opened the session titled "Current Trends in Global Markets and Industries: Their Impact on Investment Strategies." In his speech, he highlighted Kazakhstan's strategic role as a bridge linking major global markets, including China, Russia, the European Union, and CIS countries, reinforcing its position as a central hub for investors. Sharlapaev emphasized the importance of expanding into sectors such as green energy, agriculture, and information technology to reduce reliance on traditional industries. He also outlined Kazakhstan's commitment to aligning with global investment standards, notably through the adoption of ESG principles, to attract sustainable investments. The Minister further underscored the importance of regional cooperation and Kazakhstan's unique role in providing investors access to an expansive economic landscape. His remarks reaffirmed Kazakhstan's dedication to fostering a transparent, stable, and resilient economy, inviting international partners to explore opportunities in a dynamic environment.

Testimonies

The testimonies of a dozen industry leaders, including Carlsberg, AstraZeneca, and Alstom, to name just a few, highlighted the tangible benefits they have gained from their presence in the country. These renowned companies shared positive feedback on their investment experiences, emphasizing aspects such as economic stability, government support, and openness to foreign partnerships. Their testimonies confirmed that Kazakhstan's investment framework is not only attractive but also offers sustainable growth opportunities and favorable conditions for international companies looking to establish and thrive in the region.

Finally, the session concluded with the signing of agreements totaling \$7 billion, signaling strong support for Kazakhstan's evolving investment environment.

The 2024 edition of KGIR powerfully showcased Kazakhstan's commitment to aligning its investment strategies with global trends, focusing on strategic priorities such as ESG compliance and digital innovation. Combined with recent reforms and a clear dedication to transparency, these efforts position Kazakhstan as a prime destination for international investors seeking stability and growth in a dynamic and rapidly evolving region.

Written by Mélanie Draveny, November 2024

First Secretary of the Honorary Consulate of Kazakhstan in Geneva