

**ECONOMIC PRIORITIES OF INVESTMENT POLICY  
IMPLEMENTATION IN KAZAKHSTAN**

**ЭКОНОМИЧЕСКИЕ ПРИОРИТЕТЫ РЕАЛИЗАЦИИ  
ИНВЕСТИЦИОННОЙ ПОЛИТИКИ В КАЗАХСТАНЕ**

**ҚАЗАҚСТАНДАҒЫ ИНВЕСТИЦИЯЛЫҚ САЯСАТТЫ ЖҮЗЕГЕ  
АСЫРУДЫҢ ЭКОНОМИКАЛЫҚ БАСЫМДЫҚТАРЫ**

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**Abstract.** The current state of direct foreign investments attracted to Kazakhstan has been considered. The directions of investment development of the main investors to the economy of the country, the State policy of attracting investments have been analyzed. Economic decisions reflecting the rational use of capital resources, their orientation towards the key areas and ways to ensure equilibrium in social production have been presented. The possibilities of addressing the issues of economic restructuring with the help of measures to improve the investment climate for the development of certain industries have been identified. The need to use technologies of the efficient use of resources and waste processing, the need to increase the share of finished products in the industry, the economic activity of residents, and the attracted direct investments to Kazakhstan from foreign investors have been explored. The complex of measures on organization and management of investment activities aimed at ensuring optimal volumes and structure of investment assets, increasing their profitability at an acceptable risk level has been scientifically justified. At the same time, it is assumed to develop targeted investment activity system, to select the most effective ways to achieve them. The main elements of the investment policy have been determined.

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## Аграрная политика: механизм реализации



Аннотация. Рассматривается текущее состояние прямых иностранных инвестиций, привлеченных в Казахстан. Анализируются направления развития инвестиционных вложений основных инвесторов в экономику страны, государственная политика привлечения инвестиций. Показаны экономические решения, отражающие рациональное использование капитальных ресурсов, их ориентация на ключевые области и пути обеспечения равновесия в общественном производстве. Выявлены возможности решения вопросов экономической реструктуризации с помощью мер по улучшению инвестиционного климата для развития отдельных отраслей. Изучены необходимость использования технологий эффективного использования ресурсов и переработки отходов, необходимость увеличения доли готовой продукции в промышленности, экономическая деятельность резидентов, привлекаемые прямые инвестиции в Казахстан от иностранных инвесторов. Научно обоснован комплекс мероприятий по организации и управлению инвестиционной деятельностью, направленных на обеспечение оптимальных объемов и структуры инвестиционных активов, рост их прибыльности при допустимом уровне риска. При этом предполагается формирование системы целевых ориентиров инвестиционной деятельности, выбор наиболее эффективных способов их достижения. Определены основные элементы инвестиционной политики.

Аңдатпа. Қазақстанға тартылған тікелей шетел инвестицияларының ағымдағы жағдайы қарастырылады. Еліміздің экономикасына негізгі инвесторлардың инвестициялық салымдарының бағыты, инвестицияны тартыудың мемлекеттік саясаты талданады. Капиталдық ресурстарды тиімді пайдалану көрсетілген экономикалық шешімдер, олардың басты облыстарға бағыты және қоғамдық өндірістегі теңдікті қамтамасыз ету жолдары көрсетілген. Кейбір салаларды дамыту үшін инвестициялық климатты жақсарту бойынша іске асырылатын шаралардың көмегімен экономикалық қайта құрылымдау мәселелерінің шешімін табу мүмкіндіктері анықталған. Ресурстарды тиімді пайдалану және қалдықтарды қайта өңдеу технологияларын пайдалану қажеттігі, өнеркәсіптегі дайын өнімнің үлесін арттыру қажеттігі, резиденттердің экономикалық қызметі, Қазақстанға шетелдік инвесторлардан тартылатын тікелей инвестициялар зерттелген. Инвестициялық активтердің көлемін және құрылымын қамтамасыз етуге бағытталған инвестициялық қызметті ұйымдастыру және басқару бойынша іс-шаралар кешені, олардың тәуекел жағдайындағы табыстылығының өсімі ғылыми негізделген. Инвестициялық қызметтің нысаналы бағытының жүйесін қалыптастыру, оларға қол жеткізудің тиімді әдістері ұсынылған. Инвестициялық саясаттың басты элементтері анықталған.

**Keywords:** State regulation, investment: politics, climate, activity, strategy, resources, investment portfolio, investor, foreign direct investment.

**Ключевые слова:** государственное регулирование, инвестиционные: политика, климат, деятельность, стратегия, ресурсы, инвестиционный портфель, инвестор, прямые иностранные инвестиции.

**Түйінді сөздер:** мемлекеттік реттеу, инвестициялық: саясат, климат, қызмет, стратегия, ресурстар, инвестициялық портфель, инвестор, тікелей шетелдің инвестициялар.

Investment is crucial in developing and maintaining the economic potential of the state. This, in turn, positively affects the activities of enterprises, which increases the number of domestic products, which leads to an improvement in the social position of the people. In today's world, the competitiveness of the world's countries in attraction of investments means that the countries are working in this direction. Its defining is the indicators of world rankings.

The investment is one of the most important factors of significant social, economic and political changes aimed at sustainable economic growth. The issues of increasing investment activity and improving the investment climate are the most important economic reforms.

Advanced foreign technologies and investments contribute to the employment of the population, the competitiveness of the enterprises and the development of the country's economy. An important step is the effective implementation and legislative support of foreign investment incentives by the government.

At the same time, any foreign investment policy should not contradict national security and national security. Otherwise, it can lead to political tension within the country. Therefore, in the investment policy process, it is necessary to carefully study all threats and risks and carefully study the ways of its solution. Only then will its effectiveness enhance the national economy.

Kazakhstan's investment policy based on the principles of an optimal investment climate



and economic pragmatism and ensures profitability, return on investment and competitiveness, as well as the country's economic potential through decision-making that lead to new economic growth and the use of market opportunities [1].

At the stage of modern development of Kazakhstan, oriented to market relations, the main direction of economic reforms is the development and implementation of the state investment policy and its intensive development of the country's economy and increasing the economy efficiency [2].

In the current global crisis, competition between foreign countries is increasing. For this reason, attracting foreign investment plays an important role in ensuring the economy economic structure and in limiting the financing of the country [3].

Taking into account the volume of foreign direct investment in Kazakhstan in 2005-2016, the total volume of the most significant foreign investments in 2011 and 2012 amounted to 56 billion US dollars, including about two years.

Conversely, during the reporting period, the total volume of the least volume of foreign investments amounted to 7915.2 million US dollars, in 2006 - 12066.1 million US dollars and in 2015-14 751.6 million dollars. In comparison with the previous year the largest increase was 52 percent in 2006, by 61 percent in 2007 and by 39 percent in 2016. And the lowest level in comparison with the previous year decreased by 17 percent in 2013, by 2 percent in 2014 and by 38 percent in 2015.

According to the statistics of the National Bank of Kazakhstan, the total volume of direct foreign investment in the country's economy in 2005-2016 amounted to KZT 242.9 billion US dollars. The largest investor in the Netherlands is 71.7 billion US dollars, the USA - 27.2 billion dollars, Switzerland - 17.6 billion dollars, China - 14.1 billion dollars, France - 13.4 billion dollars, the United Kingdom - 12.2 billion dollars Russia - 10.5 billion dollars, British Virgin Islands - 9.9 billion dollars, Italy - 5.8 billion dollars, Japan - 5.4 billion dollars [4].

Over the past 12 years, the share of states in total foreign direct investment in the total volume of foreign investment accounted for 33% of the total investment in the Netherlands, and the United States - 12%, Switzerland - 8%, China 6%, France - 6%, Great Britain - 6% - 5%, British Virgin Islands - 4%, Italy - 3%, Japan, Belgium, Canada, Germany, South Korea and Liberia - 2%. The share of Turkey, Austria and Norway is about 1 percent.

If we compare direct foreign direct investment from 2016 to 2015, its volume will reach \$ 40 billion, from \$ 14.7 billion increased to \$ 20.6 billion dollar. Including 33 percent from the Netherlands - from 5.7 billion dollars to 7.6

billion dollars, the USA - from 24.8 billion dollars to 3.8 billion dollars, Switzerland - 39 percent from 1.9 billion dollars to 2.6 billion, China - 2.1 times more from 441 million dollars to 960 million, France - 18 percent from 963 million dollars to 1.1 billion; Great Britain - 84 percent from 372 million dollars. to 684 million; Russia - 64 percent, from \$ 527 million to \$ 867 million; The British Virgin Islands - 11 times more from 17 million dollars to \$ 200 million and Italy - 88 percent from \$ 34 million to \$ 65 million, Japan - from \$ 391 million to \$ 470 million.

Over the past 12 years, three groups of government groups can be considered on average by statistical indicators of foreign direct investment. They invested more than 100 million dollars in each country investments, between 100-50 million US dollars and countries that are smaller than 50 million US dollars. The investments of the countries higher than 100 million in US dollars make up 67% of the market in the Republic of Kazakhstan and \$ 100-50 million 14 percent of the US dollar, respectively, 50 million US dollars make up 19% of below amount countries.

The total volume of investments in gross national investment by official indicators of foreign direct investment in Kazakhstan for 2005-2016 was \$ 100 million. If the number of countries with the US dollar is 20, their investments in a private country will be about \$ 917 million US dollars. And the volume of all investments is 22048 million US dollars.

The share of direct investment, imported from direct foreign investment in Kazakhstan in the total volume of professional and scientific and technical activities of residents for 2005-2016 for economic activities, was 36 percent, including 52 percent in architecture, engineering surveys, technical testing and analysis and exploration and 47% of surveys, accounting for 99% of all direct investment in economic activity [5].

Investments in Kazakhstan from direct foreign investments by residents by types of economic activities 2005-2016 from the total flow: mining and mineral extraction increased by 27%, including 81% for oil and natural gas production, 12% for mining of metallic ore and accounted for 93% of all direct investment in this type of economic activity.

The share of direct investments imported directly from foreign direct investors in Kazakhstan in the total volume of economic activities for 2005-2016 amounted to 12 percent in the manufacturing industry, including in the metallurgical industry and the production of finished metal products, except machinery and equipment, by 79 percent, rubber and plastic products.

Also production of non-metallic mineral products and computers, electronic and optical products accounted for 4%, as well as 87% of

direct investment in this type of economic activity. The remaining 13% were sent to other sectors of the economy.

As a result of the analysis of the last 12 years, we see three main groups of foreign investments attracted to the economy of the country, and the share of the first group is about two thirds of the total group is 67 percent. In addition, the group includes economically developed countries and neighboring Russia and China.

84% of the attracted investments were 36% of specialist's scientific and technical services, mining and quarrying-27%, manufacturing and retail trade-12%, car and bicycle repair -9% [6].

One of the good things good for improvement of the investment climate is the introduction of a universal store for investors. An innovative universal store is not only a mechanism, but also a systematized, orderly state aid and bureaucratic reduction [7].

Currently, more than 1,000 consulting and public services are provided to investors. International rating organizations recognize Kazakhstan's progress in the right direction.

According to UNCTAD, there are more than twenty countries that have invested in the investment policy of our country. According to the annual report of Doing Business 2016, Kazakhstan ranks first among the ten countries and region in terms of the number of reforms undertaken to reduce entrepreneurship. Kazakhstan occupies the 25<sup>th</sup> place in the rating of minority investor's protection. Kazakhstan is intensively working to develop market capital. Since 2018, the international financial center "Astana" will start functioning.

Moreover, all members of the Organization for Economic Cooperation and Development will have visa-free access to the financial center from 2017. In this respect, Kazakhstan is the leader among the countries of Central Asia and the CIS. In the end, the transition of the country's economy to a market system after gaining independence was one of the ways that Kazakhstan could withstand. However, in the 1990s there were some difficulties, and one of them was a funds shortage, which is one of the

main factors of the country's economic development. One solution to this problem is to attract investment from developed countries. Due to the poor economic climate in the country at that time, the investment climate was extremely unattractive and led to uncertainty and risky investors in Kazakhstan.

Over the years of independence, Kazakhstan has improved its investment policy. Thanks to government decisions and measures and specific instruments to support investors, there is a solid foundation for the smooth and comfortable operation of investors in Kazakhstan. At the moment, the measures taken by the state is improvement of the investment climate in Kazakhstan. This is important for making quick decisions and taking into account the emerging obstacles in the global economy.

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