**Factsheet on the extended meeting of Kazakhstan’s Government**

**Overview**

On February 7, 2024, President Kassym-Jomart Tokayev chaired an extended government meeting to discuss the results of the socio-economic development of Kazakhstan in 2023 and outline the key tasks for the period ahead.

The meeting was attended by Prime Minister Olzhas Bektenov, Head of the Presidential Administration Aibek Dadebayev, members of the Government, Chairman of the National Bank, akims (governors/mayors) of regions and cities of Astana, Almaty, and Shymkent, heads of central government agencies and national companies.

**Key future targets**

* To increase the economy to **$450 billion by 2029**.
* Grow the country’s GDP (goss domestic product) by **at least 6% annually**.
* Macroeconomic indicators should outstrip growth in real incomes of citizens.

**Key tasks and priorities**

* **Systemic measures to liberalise the economy** – This will make it possible to gradually move away from large-scale State interference in economic processes. Effective privatisation is key to this.
* **Enhance the country’s industrial development** – The list of breakthrough projects requires significant refinement. These initiatives should transform the economic structure, establish a robust industrial framework, and serve as focal points for technological development.
* **Strengthen the transport and logistics potential of the country**, including repairment of major roads in Kazakhstan. Furthermore, among the most urgent concerns is the renovation of railroad cars and the establishment of the country’s own container fleet.
* **Development of a new Tax Code**, which should ensure a reasonable balance between creating comfortable conditions for investors and maintaining the necessary level of budget revenues.
* **Increase the effectiveness of budget and tax policies** – Another systemic problem lies in the way the budget is allocated, which is not focused on stimulating economic activity.
* **Reform of the public procurement system**, **public-private partnership, and regulation of the construction industry**. This should naturally complement reforms in the field of attracting investment, as well as the effective use of budget funds.
* **Development of the agro-industrial complex and the rational use of water resources**. In particular:
* It is necessary to **double the financing of agriculture**, attracting budgetary funds, as well as funds from other sources, including second-tier banks.
* Transition from the raw material production of the agro-industrial complex to the **development of processing of agricultural products**.
* Widespread introduction of **water-saving technologies**. It is necessary to carry out a nationwide campaign to introduce a culture of water consumption.
* **Modernisation of the utility and energy sector** – The government should complete the modernisation of 19 heat sources in the red risk zone this year. More than 700 megawatts of additional generation should also be commissioned.
* **Digitalisation of the economy**, including widespread use of artificial intelligence technologies.

**Foreign and domestic investment**

* There is a need to significantly **increase the inflow of foreign and domestic investment**. This is a key task for the newly created Investment Headquarters.
* The **Investment Headquarters must form an integral ecosystem for attracting investment**, intensify the work of development institutions, establish clear interaction between foreign missions, the investment centre, and the regions, and build an effective dialogue with the business community.
* Akims (governors/mayors) are tasked with **attracting private investment as a key objective**.
* Another source of investment should be the **return of illegally withdrawn assets**. Incoming funds should be directed to the implementation of projects that are important for the country.
* **It is necessary to launch of a new investment cycle** – The share of investment in fixed assets in the country’s GDP is decreasing.

**Social sphere**

* There is a need for a **complete revision of the structure and mechanisms of social assistance and support**.
* It is necessary to **increase the effectiveness and targeting of social assistance**, which will help free up resources for targeted support for citizens in need.
* **Healthcare** – In 2024, 2.6 trillion tenge ($5.72 billion) will be allocated for healthcare. It is necessary to form a single package of medical care, which will consist of a basic part guaranteed by the State, and an insurance part.
* Regional akims and the Samruk-Kazyna National Welfare Fund must eliminate all problems hindering the **implementation of the national projects “Modernisation of Rural Healthcare” and “Comfortable School”.**