

Oil-Fueled Kazakhstan Sees Fast Growth in Mid-Term

By [The Moscow Times](#)

August 28, 2013

The  **Moscow Times**

ASTANA — Kazakhstan's oil-driven economy is forecast to grow by between 6 and 7.1 percent in 2014-18 when the Kashagan oilfield is expected to come onstream, Kazakh Economy and Budget Planning Minister Yerbolat Dosayev said Wednesday.

The vast Central Asian nation of 17 million, which holds 3 percent of the world's recoverable oil reserves and is the second largest post-Soviet oil producer after Russia, forecasts its gross domestic product to expand by 6 percent this year.

Gross domestic product (GDP) growth slowed to 5 percent last year from 7.5 percent in 2011.

"Mid-term economic growth will be supported by rising investment in industrial innovation projects and infrastructure, as well as the start of oil production at the Kashagan deposit and rising internal consumption," Dosayev told a government meeting. He did not elaborate on the innovation projects.

Kashagan, which lies in the Caspian Sea off western Kazakhstan, is the world's largest oil find in more than four decades. It is expected to produce its first oil by October.

Kazakhstan, the world's ninth largest country by area, is also a major producer and exporter of grain, industrial metals and uranium.

Dosayev said higher oil output was expected to offset sluggish demand for other Kazakh commodities in the mid-term.

Kazakhstan's oil output is forecast to increase to 83 million tons in 2014 from 82 million tonnes this year and is set to reach 110 million tonnes in 2018, he said.

"This year's tempo of GDP and industrial output growth have so far been in line with all our plans," Dosayev said. He said industrial output growth was forecast to edge down to 3.4 percent in 2014 from this year's 3.8 percent.

Kazakhstan's National Fund, replenished by windfall oil revenues, is forecast to increase from \$93.9 billion in 2014 to \$122.1 billion by 2016, Dosayev said.

Kazakhstan, Central Asia's largest economy, sees its nominal GDP rising from 38.6 trillion tenge (\$253 billion) next year to 65.9 trillion tenge in 2018. GDP stood at \$200 billion in 2012 and will reach \$226 billion this year, official data showed.

Per capita GDP is forecast to rise from \$14,600 in 2014 to \$24,000 by 2018.

Original url:

<https://www.themoscowtimes.com/2013/08/28/oil-fueled-kazakhstan-sees-fast-growth-in-mid-term-a27171>