

1. CAS/CPS Data		
Country: Kazakhstan		
CAS/CPS Year: FY12	CAS/CPS Period: FY12 – FY17	
CLR Period: FY12 – FY17	Date of this review: December 2, 2019	
2. Ratings		
	CLR Rating	IEG Rating
Development Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Unsatisfactory</i>
WBG Performance:	<i>Good</i>	<i>Fair</i>
3. Executive Summary		
<p>i. This review of the World Bank Group's (WBG) Completion and Learning Review (CLR) covers the period of the Country Partnership Strategy (CPS), FY12-FY17, and updated in the Performance and Learning Review (PLR) dated September 26, 2016.</p> <p>ii. The Republic of Kazakhstan is a land-locked upper middle-income country with a nominal GNI per capita of \$7960 in 2017. The country depends on oil, with production and exports of hydrocarbon accounting for 21 percent of GDP and 62 percent of exports in 2017. Average annual GDP growth declined from 6.5 percent during 2006-2011 to 3.6 percent during the CPS period (2012-17), primarily due to deteriorating oil prices after 2013. The fall in oil prices reduced the growth of non-oil activities and the associated gains in wages and employment. Per capita GDP grew at 2.1 percent during the CPS period and contributed to reduce the poverty headcount ratio at national poverty line from 5.5 to 2.5 percent of the population between 2011 and 2017. Income distribution improved, with the Gini index falling from 0.28 in 2011 to 0.275 in 2017. The Human Development Index improved from 0.765 in 2010 to 0.800 in 2017. Kazakhstan key development challenges and goals set in the Strategy 2030 and Strategy 2050 include strengthening macro-economic management (including strengthening of non-oil sources of revenues), reducing the state presence in the economy, strengthening regional economics through infrastructure and agricultural value chains, ensuring equal access to high quality education, enhancing social protection, managing natural resources, policy regarding water resources and improving governance and public sector capacity.¹</p> <p>iii. The CPS sought to improve competitiveness and foster job creation (Focus Area I), strengthen governance and improve efficiency in public service delivery (Focus Area II) and ensure development is environmentally sustainable (Focus Area III). These areas were broadly aligned with the government's 2010 Strategic Plan 2020 (issued in 2010), which focused on business climate reforms, economic diversification, human resources, basic services, and public sector reforms. Furthermore, the focus areas were aligned with the government's increasing priority to reduce the adverse environmental impacts of growth. Similarly, the three focus areas were aligned with the longer-term, Kazakhstan 2050 Plan (issued in 2012), which includes efforts</p>		

¹ Systematic Country Diagnostic, pp. 93-94.

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to strengthen institutions, improve infrastructure, and enhance human capital among its key components.

iv. At the outset of the CPS period, IBRD's total outstanding commitments reached \$3,745 million, including one DPL for \$1 billion and one investment loan for roads for \$2.12 billion. During the CPS period, IBRD's new commitments reached \$3.56 billion, about \$2 billion larger than the amount proposed in the CPS and \$1 billion lower than the amount proposed in the PLR.

Macroeconomic management and transport accounted respectively for 84 and 85 percent of commitments in the starting and new portfolios. Other sectors where new loans were granted included education, finance, and water. The starting portfolio also covered environment and natural resources, poverty and equity, urban, rural and resilience, but there were no new loans in these areas. Grants and Trust Funds covered Youth Corps, Energy Efficiency, Forest Protection, and Catastrophic Risk Insurance.

v. IEG rates the CPS development outcome as **Moderately Unsatisfactory**. On Competitiveness and Jobs (Focus Area I), transport costs fell, the electricity grid expanded its capacity and the financial sector improved its financial soundness. Non-oil sector exports expanded moderately. No progress was made in strengthening fiscal discipline and knowledge for growth in agriculture. It is too early to know if changes in the curriculum for technical vocational education built skills for employment. On Strengthening Governance and Improving Efficiency in Public Service Delivery (Focus Area II) the program helped to set up a social protection net and supported a moderate improvement in custom governance and in budget and accounting institutions. The program did not help reduce the out-of-pocket costs for health services. On Ensuring Development is Environmentally Sustainable (Focus Area III) there was progress in safeguarding the environment but less than expected in raising energy efficiency.

vi. IEG rates WBG performance as **Fair**. The CPS and PLR tackled well-known development challenges. Its focus areas and objectives were aligned with the government's development program. The program was demand driven and based on good knowledge of the economic and political constraints in the country, a result of the WBG's engagement through the JERP/RAS program. The ASA and loans program balanced the country's needs for technical and financial assistance. Although the program objectives had substantial relevance, the number of objectives was excessive for Kazakhstan capacity. Furthermore, the results framework suffered from weaknesses in the logical chain connecting indicators to results and results to objectives; this deficiency makes it difficult to assess the impact of the program. There was scope for closer cooperation between the WB and IFC. With some exceptions, both organizations worked largely separately to deliver their programs. The CPS and the PLR identified well the risks of the program and selected appropriate mitigation measures, including a WB \$1 billion loan to cushion the macroeconomic impact of lower oil prices and ASA on finance and macroeconomic management. Implementation of some of the planned started later than originally planned.

vii. The most relevant lessons of the CLR are summarized below. First, knowledge of the country and flexibility to adjust allowed the WBG to engage in the government's development agenda. Second, to improve the impact of the program, the World Bank (Bank) and the government need to solve the systemic issues that delay the program's execution. Third, selectivity and flexibility continue to be key for achieving results. Fourth, careful sequencing project phases can make project implementation more effective. Fifth, a smooth implementation of complex projects requires that the organizations involved in their design and execution own the projects. Sixth, after the sharp depreciation of the tenge (the national currency), the experience with the Almaty Ring Road Project demonstrates that close collaboration between the government, the private sector, WBG and other financial institutions can reduce costs and optimize project structure.

viii. IEG adds the following lessons:

- Capacity constraints raise the risks from crises. The oil crisis uncovered a limited local capacity to implement programs. Because building capacity takes time, the WBG needs



to allocate more human and financial resources to building capacity, improve the monitoring and evaluation of operations in the country, and include the latent risks of capacity constraints in its preparation of future projects and strategies.

- CPS results frameworks help assess programs and contribute to create and disseminate knowledge about what works and does not work. The Kazakhstan CPS suffered from an incomplete framework that prevented adequate monitoring and measurement of results. To assess programs and build knowledge the WBG needs to ensure its results frameworks have (a) clear and coherent chain of results and (b) indicators that can be measured and truly reflect the development outcomes.

4. Strategic Focus

Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** The CPS objectives were broadly congruent with the Country's context and programs. Kazakhstan's development program (as articulated in the Government's ten-year development plan) aimed to consolidate economic recovery, diversify the economy, provide qualitative social, housing and communal services, increase and improve human capital for sustained growth and social wellbeing, managing natural resources, policy for water resources, and strengthen interethnic consent, security, and stability of international relations.² Furthermore, the government sought to reduce the environmental impact of growth through energy efficiency, reduced environmental discharges, and low-carbon techniques. To support this program, CPS objectives sought to improve competitiveness and foster job creation (Focus Area I), strengthen governance and improve efficiency in public service delivery (Focus Area II) and ensure development is environmentally sustainable (Focus Area III). On competitiveness, for example, the CPS aimed to strengthen fiscal discipline, an objective that became increasingly relevant in 2014, when oil prices fell, growth rates declined, and fiscal performance deteriorated. To restore medium-term growth the country needed to ensure a credible medium-term fiscal consolidation. Other CPS objectives covered additional priority needs, including improvements in the business climate, job creation, human capital, and institutions.

2. **Relevance of Design.** The proposed interventions could help in most instances achieve the CPS objectives and the government's development goals. For example, proposed investments in power could help improve energy transmission to poor areas, a DPF could help strengthen fiscal discipline, and an Advisory Services and Analytics (ASA) program could improve the social protection system. The mix of loans and ASA work was well-aligned to the relative needs for financing and capacity building in different sectors. For example, four loans for macroeconomic management and road infrastructure, where financing needs are larger and capacity is stronger, accounted for 82 percent of total planned lending. In other areas, where financing needs were lower and capacity building needs higher; ASA accounted for 65 percent of total ASA work. Trust Funds supported capacity building and environmental management. IFC interventions sought to make the economy more competitive and diversified by concentrating on the financial sector, manufacturing, agribusinesses and services, and infrastructure and natural resources.

Selectivity

3. The CPS addressed key development challenges covered by government programs, such as macroeconomic management and infrastructure gaps. Attention to these challenges was underpinned by thorough analytics and by the Bank's comparative advantage in the selected sectors (e.g., roads, energy). Nevertheless, the CPS/PLR sought 13 objectives and planned to lend for 17 new projects (17), both of which may have been too large for Kazakhstan's implementation capacity. Although the actual number of new projects (9) was more limited, the high number of objectives (13) remained unchanged and may have been excessive for the country's capacity to deliver them, as reflected in the number of planned projects that were not implemented, the poor portfolio

²December 2012, see <https://strategy2050.kz/en/page/multilanguage/>



performance by number of projects, and the low outcome ratings on a number of pre-existing and new projects. Broadly poor outcomes suggest that the Bank could have been more cautious, perhaps pursuing fewer objectives with better chances of achievement.

Alignment

4. The CPS objectives were aligned with the 2013 corporate goals of poverty reduction and shared prosperity. Focus Area I supported reducing poverty through rapid growth (fiscal discipline, financial development, efficiency gains from better regulation and lower transport costs, human capital development). Focus area II supported shared prosperity through interventions such as those to improve health and social protection systems, governance and accountability, and delivery of government services to all groups, especially to the lowest income groups. Focus area III addressed issues that affect all groups, but especially the lower income groups. Its emphasis on reverting past environmental damages, preventing future ones and using energy more efficiently would help to promote growth and prevent further damage to the health of the low-income population.

5. Development Outcome

Overview of Achievement by Objective:

5. The assessment follows the IEG-WBG Shared Approach on Country Engagement and considers the degree to which CPS objectives (designated as outcomes in the PLR and CLR results matrices) were achieved. In assessing achievement of objectives this review distinguishes between achieving the objective and the target for the indicator. The objective may not be achieved while the target is achieved because the indicator is inappropriate to measure achievement of the objective.

Focus Area I: Improving Competitiveness and Fostering Job Creation

6. Focus Area I has seven objectives: (i) Strengthening fiscal discipline and trade openness/integration; (ii) Expanding non-oil sector exports and employment; (iii) Reinvigorating financial sector; (iv) Building skills for employment; (v) Strengthening knowledge for sustained growth in agriculture; (vi) Improving energy transmission to poor areas; (vii) Building transport connectivity and lowering costs.

7. **Objective 1: Strengthening fiscal discipline and trade openness/integration.** The World Bank supported this objective with the FY16 Kazakhstan Programmatic Development Policy Financing and three ASAs: Fiscal Management for Growth, Improvement of Public Debt Management, and Enhancement of Fiscal Sustainability. The objective has one indicator:

- Prudent management of oil revenue maintained, with the government's net financial worth (measured by difference between the stock of assets of the National Fund of the Republic of Kazakhstan and the sovereign debt) above the 2012 level of 20% of GDP by 2017. The ICR for the loan supporting this objective reports that the net financial worth of the Republic of Kazakhstan was 15.3% of GDP in 2017. *Not Achieved.*

The indicator does not measure fiscal discipline properly and is affected by external events that are independent of government actions but which could change the Fund's net financial worth. Moreover, the objective lacks an indicator to measure trade openness and integration. IEG rates Objective 1 as *Not Verified*.

8. **Objective 2: Expanding non-oil sector exports and employment.** The Bank supported this objective with the FY08 World Bank Technology Commercialization Project, IFC investments in the real sector (e.g., manufacturing), two IFC advisory services (AS), two ASAs and four Joint Economic Research Program (JERP). IFC advised 10 companies on corporate governance and advised banks and joint stock companies. The ASAs provided TA on regulation and on how to promote exports and attract foreign direct investment (FDI) in non-resource intensive sectors. The JERP addressed competition and regulatory constraints, how to benefit from the recent access to the



World Trade Organization, constraints in the labor market, and simplifying procedures in the mining sector. The objective has four indicators:

- Improved regulatory environment, as measured by Doing Business ranking (up from 46 in 2011 to 35 by 2017). The country improved its ranking to 36 in the Ease of Doing Business report (2018) which is current as of June 1, 2017. *Achieved.*
- Technology Commercialization Office (TCO) established, awarding at least 10 small technology commercialization grants (pre-commercialization, joint research with industry, international patenting, industrial internship for scientists) and enabling at least 15 groups of scientists to perform high-quality research. The technology commercialization project supported the establishment of 33 senior scientist and junior research groups. The groups had been established by the end of 2015. Additional information provided by the region shows that at least one of the subprojects supported by the Technology Commercialization Project exported goods worth KZT230 mln (equivalent to US\$652,000). *Achieved.*
- IFC invested in manufacturing (paper packaging, cement), agribusiness (food and beverages, agriculture commodities), and real estate. During the period FY12-FY17, IFC's total net commitment in the non-financial sector was \$90.8 million, about 43% of IFC's total long-term investment commitments. IFC's portfolio increased the participation of investments in the non-financial sector from 34 percent to 65 percent. Additional information provided by the region indicates that between 2012 and 2017, the amount of direct jobs of IFC clients (agribusiness and cement) increased from 400 to 2400 *Achieved.*
- IFC provided advisory services on corporate governance to Government and over 100 companies and conducted studies on tax transparency and regulatory reform. The CLR reports that IFC provided advisory services to 10 companies, not meeting the target. *Not achieved.*

Although three of the four targets were achieved, two of those achieved do not measure the dimensions of the Objective (exports and employment). The first one helps to measure the results of the WBG support for improving regulations. The fourth indicator reports about IFC activities carried out but does not inform whether the objective was achieved. On balance, IEG rates Objective 2 as *Partially Achieved.*

9. **Objective 3: Reinvigorating financial sector.** The Bank supported this objective with one ASA to strengthen the stability of the financial sector and two JERP to improve the insolvency of the [financial] system. IFC support included investments in the financial sector, lines of credit for trade finance, and an AS to promote financial inclusion. The objective has three indicators:

- Ratio of NPLs [non-performing loans] to total loans (32.6% in 2012) at least halved by 2017 and well provisioned. The WBG financial data show that the ratio of bank non-performing loans to total gross loans more than halved, from 19 percent in 2012 to 7 and 9 percent in 2016 and 2017, (<https://data.worldbank.org/indicator/FB.AST.NPER.ZS?locations=KZ>) and provisions amounted to 75 percent of banks' portfolio excluding that for BTA Bank. The decline is the result of a bailout package channeled through the state-owned Problem Loan Fund. The information is insufficient to conclude that the NPLs have been well provisioned. *Mostly Achieved.*
- IFC invested in financial institutions, including microfinance and universal banking, and provided trade guarantees. Sector portfolio serving 15,200 microfinance and 10,000 SME clients. The CLR reports that IFC investments in three financial institutions resulted in extending financial services to more than 134,000 MSMEs. IEG has verified that the MSME portfolio of IFC client financial institutions exceeded the targets. *Achieved.*
- IFC providing advisory services to microfinance institution to improve its lending operations, serving more clients in rural area and thus supporting rural development. The report on IFC's



AS informs that the number of outstanding loans increased from a baseline of 10,100 to 11,229 at the end of FY17. *Achieved.*

IEG rates Objective 3 as *Mostly Achieved.*

10. **Objective 4: Building skills for employment.** The World Bank supported the objective with the FY11 Technical and Vocational Education Modernization project. The indicator was:

- Share of technical vocational education programs revised in line with new (2013) competency standards by at least 20% by 2017 - better equipping graduates with skills demanded in labor market. The core curriculum of 147 educational programs (70 percent of programs) was revised and aligned with occupational standards. *Achieved.*

The indicator cannot measure whether the new curriculum builds skills better than the old one. While the indicator target was achieved, there is no evidence to show that the objective was achieved. Lacking such evidence, IEG rates the objective as *Not Verified.*

11. **Objective 5: Strengthening knowledge for sustained growth in agriculture.** The Bank supported this objective with the FY13 Second Irrigation and Drainage Improvement Project. IFC support included loans to agribusinesses, three ASAs covering agricultural policy matters and two advisory services on food safety and resource use efficiency. The livestock project aimed at supporting the objective was dropped. The objective has four indicators:

- New applied technologies in farming (for example, conservation agriculture, new methods of veterinary diseases testing) result in increased crop/fodder output, supporting 50% increase in meat production (0.84 million tons in 2010) by 2017. The CLR reports that meat production increased 0.96 million tons in 2017. IEG could not verify this number; if valid, it means food production increased 14 percent over the baseline value. *Not Verified.*
- IFC invested in agribusiness (food and beverages, agriculture commodities). IFC provided loans to a food processing company. IFC's financing helped improve the risk profile of the company and supported its international expansion. *Achieved.*
- IFC Food Safety Program focuses on (a) assisting one food company in implementing food safety practices; (b) stimulating development of local institutional capacity for promotion and implementation of suppliers' food safety standards; and (c) promoting sector-wide demand by raising awareness about agribusiness standards and developing client pipeline. IFC advised one company on implementing food management systems and another on improving food safety practices; it also helped 12 suppliers of processed food to build their capacity. *Achieved.*
- IFC providing advisory services on energy efficiency at two levels as explained in objective 2 of Focus Area III. [The two levels are: (a) policy, to open up new markets and (b) company, to provide targeted assistance to first-mover private sector and utility efficiency projects.] IFC did not provide advice on policy to open new markets. IFC advisory services on energy and water efficient solutions are discussed in Objective 13. Since IFC failed to provide advisory services at the policy level, this review concludes the target was *Not Achieved*

The indicators do not measure achievement of objective. In particular, indicators two, three and four report on IFC activities, which are not evidence of achievement of the objective. As the impact on knowledge and growth is not known, IEG rates Objective 5 as *Not Verified.*

12. **Objective 6: Improving energy transmission to poor areas.** The World Bank supported the objective with the FY10 Moinak Electricity Transmission project and the FY11 Alma Electricity Transmission project. The objective has one indicator:

- Kazakhstan Electricity Grid Operating Company's (KEGOC) transmission capacity increased by 5% between 2012 (34,000 MVA) and 2017 to alleviate existing and projected power shortages in South and East Kazakhstan, two of the poorer areas of the country. The Annual



Report of KEGOC for 2017 shows that the installed transformer capacity was 36,660 MVA, an increase of 8 percent over the capacity installed in 2012. *Achieved.*

The indicator measures well the expansion of capacity in electricity services and the achievement of the objective. IEG rates the objective as *Achieved.*

13. **Objective 7: Building transport connectivity and lowering costs.** The World Bank Group supported this objective with the FY09 South-West Roads project, the FY12 East-West Roads project and the FY16 Center-West, Regional Development Project. IFC support included an equity investment, a loan to a railcar leasing company, and advisory services. The objective has three indicators.

- Increased transport efficiency through reduction in road-user costs and rate of road crash fatalities along 1,062 km section of Western Europe-Western China (WE-WC) Road Corridor by at least 10% by 2017 (in 2007: road users' cost was \$0.26 per vehicle-km and road crash fatalities were 11/100 million vehicle-km). Road user cost was \$0.24 per vehicle km (8% lower than baseline value) and the number of road crash fatalities had decreased to 9.5 per 100 million vehicle-km (14% lower than the baseline value) by December 2017. *Mostly achieved.*
- IFC invested in a rail leasing company. IFC invested \$20 million and lent \$39 million to Eastcomtrans, a railcar leasing company. *Achieved*
- IFC advises Government on structure and implementation of international tender for Big Almaty Ring Road (BAKAD). IFC provided the indicated advisory services. *Achieved*

Road user cost and crash fatalities measure adequately the effects of the interventions on the achievement of objectives. These were very close to targets. The other two indicators measure IFC activities, not transport connectivity or costs effects. IEG rates Objective 7 as *Achieved.*

14. The program achieved Objectives 6 (energy transmission for poor areas) and 7 (transport), mostly achieved Objective 3 (financial sector) and partially achieved objective 2 (non-oil sector exports and employment). IEG could not verify achievement of Objectives 1 (fiscal discipline and trade openness/integration), 4 (skills for employment) and 5 (agriculture). With four objectives achieved, mostly achieved or partially achieved, IEG rates the outcome of WBG support under Focus Area I as **Moderately Unsatisfactory.**

Focus Area II: Strengthening Governance and Improving Efficiency in Public Service Delivery

15. Focus Area II has four objectives: (i) Improving governance; (ii) Strengthening budget and accounting institutions; (iii) Reforming social protection system; (iv) Sharpening strategic approach to health reforms

16. **Objective 8: Improving governance.** The objective was supported with the FY08 Customs Development project, a FY Tax Administration Reform Project and JERP/RAS for Civil Service Reform. The objective has one indicator.

- Physical inspections of import declarations by customs reduced from 70% in 2007 to 20% by 2017; and average customs processing time at border posts (24 hours in 2010) reduced by 75% by 2017 as evidenced from client surveys. The CLR reports that physical inspections fell to 4.9 percent (target was 20 percent) and processing times fell to seven hours (71 percent versus target of 75 percent). The ICR review of the Customs project reports progress in processing time (53%) but this fell short of the target (75%) and with no evidence of attribution to the project. It also says: "It is possible that interactions between the Bank and Government over the long period between project design and implementation could have influenced this and other achievements, but there is no evidence of this in the ICR". The objective had a broad governance scope while the Bank project and the results indicator addressed only customs. *Partially Achieved.*



17. The objective had a broad governance scope while the Bank project and the results indicator addressed only customs.³ IEG rates the Objective 8 as *Partially Achieved*.

18. **Objective 9: Strengthening budget and accounting institutions.** The World Bank supported this objective with the FY11 Statistical Capacity Building Project and the FY15 Capacity Building for Public Sector Accounting Reform, five JERP/RAS tasks [Improved Approach to Results-Oriented Budgeting; Improvement in Intergovernmental Fiscal Relations; Development of e-Procurement System; Expenditure Efficiency Reviews; Strengthening Public Sector Internal Audit] and one ASA for developing e-procurement system. The objective has three indicators.

- Increase in e-procurement transactions (25,000 in 2012) by 20% by 2017, and efficiency of e-procurement system enhanced by introduction by 2014 of electronic reverse auction system. The e-reverse auction system is operational, as reported by the report Survey Responses on e-Government Procurement System from the Asian Development Bank. IEG could not validate the CLR information that there have been about 123,000 open bidding transactions, which exceeds the target of 25,000. *Partially Achieved*.
- Quality and efficiency of public spending improved through introduction of targeted reviews of selected areas on rolling basis, with at least four reviews completed during 2013–16. There is no public information available to judge whether the quality and efficiency of public expenditure improved. The 2018 PEFA report indicates that processes and the quality of financial management have improved. The information does not show nor prove that spending is more efficient and of better quality (e.g., more value for money). The Open Budget Initiative reports that budget transparency improved from “minimal” in 2010 to “limited” in 2017, with the score increasing from 38 to 53, a gain driven by improvements in budget oversight. Although oversight, processes, and the quality of financial management have improved this is not sufficient to conclude that public spending is more efficient and of better quality. *Not Achieved*.
- International standard user satisfaction survey on quality and reliability of statistical data introduced in 2012 with 80% satisfaction rates by 2017. In 2016, 94 percent of users were satisfied with the quality and reliability of statistical data. *Achieved*.

Available data suggest better budget oversight and statistics, but with no evidence of better quality or more efficiency of spending. On balance, IEG rates Objective 9 as *Partially Achieved*.

19. **Objective 10: Reforming social protection system.** The World Bank supported this objective with a four-year ASA program. The objective has one indicator.

- Conditional cash transfers piloted in at least two regions. The ASA assisted the government in developing instruments to implement a conditional cash transfer program, in implementing a pilot in three regions (Akmola, East Kazakhstan and Zhambyl), and in preparing its full scale implementation in 2018. *Achieved*.

The indicator measured reasonably the achievement of the objective. IEG rates the objective as *Achieved*.

20. **Objective 11: Sharpening strategic approach to health reforms.** The Bank supported this objective with the FY08 Health Sector Technology Transfer and Institutional Reform project and the FY16 Social Health Insurance project. The objective has one indicator.

- By 2016, 10% reduction in population's out-of-pocket health expenditures as share of total health expenditures (32.9% in 2010). Health expenditures increased from 32.9% of total health expenditures in 2010 to 35.3% in 2016. *Not Achieved*.

³ Six categories make the World Bank's governance indicators (see <https://info.worldbank.org/governance/wgi/Home/Reports>)



The indicator does not measure adequately the achievement of the objective. IEG rates Objective 11 as *Not Verified*.

21. The program achieved Objective 10 (conditional transfers), and partially achieved objectives 8 (customs) and 9 (e-procurement). IEG could not verify objective 11 (health). With three objectives achieved or partially achieved, IEG rates the outcome of WBG support under Focus Area II as **Moderately Unsatisfactory**.

Focus Area III: Ensuring Development is Environmentally Sustainable.

22. Focus Area III has two objectives (i) Safeguarding the environment; (ii) Raising energy efficiency.

23. **Objective 12: Safeguarding the environment.** The World Bank Group supported this objective with the FY07 Ust-Kamenogorsk Environmental Remediation project, the FY05 Forest Protection and Reforestation project, the FY13 Second Irrigation and Drainage Improvement Project, seven ASAs (JERP/RAS), two GEF projects, and two TA of the Partnership for Market Readiness. The objective has three indicators.

- Remediation of the high-priority industrial waste dumps polluting the air and groundwater in Ust-Kamenogorsk and establishment of groundwater monitoring system. IEG's review of the project's ICR found that (a) the groundwater quality monitoring system is operating; (b) 31.5 of the 45.5 hectares of contaminated land have been remediated; (b) five of the seven waste dump sites had been remediated, one was partially remediated (80 percent) and the seventh was not. Therefore, the seventh waste dump continues contaminating. *Mostly Achieved*.
- Reforestation of 44,000 ha completed and damage from forest fire in Irtysh Pine Forest reduced by 50% by 2017 (9 ha per case of fire on average during 2009–11). IEG's review of the ICR for the Forestry Project reports that 46,000 ha were reforested by May 2015, 61,000 ha in Aral Seabed were rehabilitated and fire management improved in 650,000 ha. There is no information on reduction in damage from forest fires during the program period. *Achieved*.
- Water supply systems rehabilitated in 113,000 ha covering four southern oblasts, bringing water distribution by service providers to levels demanded by farmers. There are no results yet because the irrigation project supporting this result started late. *Not Achieved*.

The indicators convey well what could be expected from the interventions. With one target achieved, one mostly achieved, and one not achieved IEG rates Objective 12 as *Mostly Achieved*.

24. **Objective 13: Raising energy efficiency.** The World Bank supported this objective with the FY13 Energy Efficiency project (Swiss Trust Fund) and one ASA (JERP/RAS). The objective has two indicators.

- Cumulative energy savings in targeted public facilities will increase from 0 to 825 GWh by 2017. The target was not achieved because of delays in executing the project that would trigger the savings. Total savings reached 178 GWh, below the target value. *Not Achieved*.
- IFC providing advisory services on renewable energy and energy efficiency at two levels: (a) policy level, to open up new markets by removing legal and regulatory barriers to private investments and (b) company level, to provide targeted assistance to first-mover private sector and utility efficiency projects. At the policy level, IFC provided advice for the development of the 2016 Green Economy Law and engaged in comprehensive policy-level advice for developing renewable energy markets. To reduce the risks from exchange rate fluctuations the law permits indexing electricity tariffs (Feed-in tariffs) to changes in the exchange rate. At the company level, IFC advised four renewable energy companies on efficient solutions for using energy and water, and to another company to increase investment in climate friendly energy and water efficient solutions. The indicator lacked



baseline and target values. IFC delivered the advisory services. The indicator does not measure progress on energy efficiency. *Achieved.*

The first indicator measures energy efficiency results from the interventions but its target was not achieved. The second indicator only describes IFC advisory services on energy. Additional information provided by IFC shows that one company saved US\$53,000 per year on energy and water use. On balance, IEG rates Objective 13 as *Partially Achieved.*

25. The program mostly achieved Objective 12 (safeguarding the environment) and partially achieved objective 13 (energy efficiency). On balance, IEG rates the outcome of WBG support under Focus Area III as **Moderately Satisfactory.**

Overall Assessment and Rating

26. IEG rates the CPS development outcome as **Moderately Unsatisfactory.** On Competitiveness and Jobs (Focus Area I), transport costs fell, the electricity grid expanded its capacity and the financial sector improved its financial soundness. There is no evidence of progress in strengthening fiscal discipline, knowledge for growth in agriculture, or impact of changes in the curriculum for technical vocational education on skills building for employment. On Strengthening Governance and Improving Efficiency in Public Service Delivery (Focus Area II) the program helped to set up a social protection net and supported a moderate improvement in customs governance and in budget and accounting institutions. The program did not help reduce the out-of-pocket costs for health services. On Ensuring Development is Environmentally Sustainable (Focus Area III) there was good progress in safeguarding the environment and modest progress on raising energy efficiency.

Objectives	CLR Rating	IEG Rating
Focus Area I: Improving Competitiveness and Fostering Job Creation	<i>Moderately Satisfactory</i>	<i>Moderately Unsatisfactory</i>
Objective 1: Strengthening fiscal discipline and trade openness/integration	Not rated	Not verified
Objective 2: Expanding non-oil sector exports and employment	Not rated	Partially achieved
Objective 3: Reinvigorating financial sector	Not rated	Mostly achieved
Objective 4: Building skills for employment	Not rated	Not verified
Objective 5: Strengthening knowledge for sustained growth in agriculture	Not rated	Not verified
Objective 6: Improving energy transmission to poor areas	Not rated	Achieved
Objective 7: Building transport connectivity and lowering costs	Not rated	Achieved
Focus Area II: Strengthening Governance and Improving Efficiency in Public Service Delivery	<i>Moderately Satisfactory</i>	<i>Moderately Unsatisfactory</i>
Objective 8: Improving governance	Not rated	Partially achieved
Objective 9: Strengthening budget and accounting institutions	Not rated	Partially achieved
Objective 10: Reforming social protection system	Not rated	Achieved
Objective 11: Sharpening strategic approach to health reforms	Not rated	Not verified
Focus Area III Ensuring Development Is Environmentally Sustainable	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
Objective 12: Safeguarding the environment	Not rated	Mostly achieved
Objective 13: Raising energy efficiency	Not rated	Partially achieved



6. WBG Performance

Lending and Investments

27. At the outset of the CPS period, IBRD's total commitments reached \$3,745 million, with 16 operations, including one DPL for \$1 billion and one investment loan for roads for \$2.12 billion. During the CPS period, IBRD's new commitments reached \$3.56 billion, about \$2 billion larger than the amount proposed in the CPF and \$1 billion lower than the amount proposed in the PLR. The lending program was driven by macroeconomic conditions and infrastructure building, responding to a need to adjust to lower oil prices and to the government's desire to integrate more the internal and external markets and exploit better its locational advantage with its large neighbors, Russia and China. Because the oil price shock forced a change of priorities, there was no additional lending during the CPS period for agriculture (AGR), environment and natural resources (ENV), poverty and equity (POV), and social, urban, rural and resilience (URS), where the pre-existing project amounts lent were relatively small. Seven small projects for a total of \$56 million were financed with Grants and Trust Funds; they covered areas such as Youth Corps, Energy Efficiency, Forest Protection, and Catastrophic Risk Insurance

28. During the CPS period, Kazakhstan's portfolio performed relatively well. For closed operations that IEG validated, nine of the 13 accounted for 98 percent of the amount lent and were rated Moderately Satisfactory or Satisfactory; the ratings exceeded those of ECA (92 percent) and the World Bank (83 percent). Of the active operations, five of 9 projects account for 87 percent of commitments and their performance is rated as Moderately Satisfactory or Satisfactory in their implementation status reports (ISR). Kazakhstan closed projects have a moderate or lower risk to development outcome (RDO) than those of ECA and Bank-wide by value (21 versus 63 and 55 percent).

29. As for the risk of project execution, Kazakhstan has a lower risk (4 percent) than the Bank (20 percent) and ECA (14 percent) when measured in value of commitments but higher risk when measured by number of loans. (25, 21 and 15 respectively). The disparity in portfolio risk by value and number of loans reveals the concentration of the Kazakhstan portfolio in a few large value loans

30. During the CPS period, IFC made net commitment of \$213.6 million with an average net commitment of \$35.6 million. The total fell short of the target of \$200-300 million of annual investments. IFC's net commitment for the financial sector accounted for 57.5% of the total net commitment. The largest project was IFC's \$70.1 million loan to an IFC client bank in FY13. IFC provided short-term trade finance guarantee with an average net commitment of \$43.7 million during the period. IEG validated three individual investment projects during the review period, with two EvNotes and one Project Evaluation Summary. IEG rated Mostly Successful one project and Unsatisfactory two projects for their Development Outcome rating. IFC projects were unable to achieve their intended development impacts in part because of the severe impacts of the global financial crisis on Kazakhstan's banking sector. MIGA did not underwrite new guarantees.

Analytic and Advisory Activities and Services

31. The World Bank delivered 124 tasks in its ASA program, exceeding the 52 tasks the CPS and PLR identified. Such increase resulted from the expansion of the Joint Economic Research Program (JERP) and its evolution into a Reimbursable Advisory Services (RAS) program during the CPS period. The expansion originated in client demand for policy advice and technical assistance during the WBG's response to the macroeconomic crisis and, also, to a partnership framework arrangement signed in 2014. The tasks covered topics aligned with the CPS and PLR objectives and their distribution is aligned with that of lending. The program was intensive in ASA interventions in areas where financing was small. The ASA work focused almost entirely on Kazakhstan, although one of the largest tasks, roads, sought to integrate the country with China, Russia and its Central Asian neighbors. ASA dissemination was relatively limited, given the contractual nature of the JERP/RAS program, a demand-driven activity and paid for by the government. When possible, some of this knowledge has been disseminated (e.g., fiscal, SCD).



32. During the CPS period, IFC approved seven new AS projects amounting to \$12.5 million of IFC funds, out of which three projects for \$1.65 million were terminated prior to their implementation. IFC and EBRD established a strategic partnership to deliver to public sector clients in Kazakhstan and the ECA region PPP transaction advisory services for preparing tender of selected challenging infrastructure projects in countries of operation in 2016. IEG did not validate any Project Completion Reports (PCRs) of AS projects during the period.

Results Framework

33. The CPS objectives addressed some of the critical constraints for achieving the country's development goals. For example, in Focus Area I, fiscal discipline is essential for ensuring economic stability and reducing uncertainty, good roads are needed to reduce transport costs and integrate markets, sound regulations are needed for effective competition; supplying electricity to poor areas improves the welfare of the poor. The objectives were more focused in Focus Area II than in areas I and III. The causal chain between interventions and objectives was clear and convincing in most instances. For example, DPLs can facilitate improvements in fiscal discipline. Several objectives were not underpinned by adequate results indicators making it difficult to assess the impact of the program. For example, establishing a technology office does not necessarily lead to more non-oil exports; a better insolvency framework in itself does not lead to fewer non-performing loans; all indicators related to IFC activities describe what IFC does (e.g., invest in agribusiness) but do not measure the effect of what it does (e.g., strengthen knowledge for sustained growth in agriculture).. Furthermore, several indicators lacked baselines, target values, and dates. Some of the other objectives had adequate indicators (e.g., lowering transport costs and crash fatalities to improve connectivity). In sum, the results framework fell short of what was needed to know what the program contributed to Kazakhstan's development program.

Partnerships and Development Partner Coordination

34. The World Bank has partnered with many international organizations in the country. The Swiss government provides trust funds for some of the projects the Bank financed (Energy and Youth Corps). The OECD and the World Bank worked in several reviews of early childhood education, one of which was a Policy Review Report. The World Bank and WHO collaborate in the implementation of a Health Sector Technology project. The World Bank works in parallel, not jointly, with other international financial institutions involved in transport (ADB, EBRD, IDB, JICA) and irrigation (ADB and IDB). IFC engaged with EBRD and ADB to help develop the Almaty Ring Road PPP project. The government signed separate partnership framework arrangements (PFAs) with the World Bank, Asian Development Bank, Islamic Development Bank and the European Bank for Reconstruction and Development. The arrangements have facilitated coordination and complementarity among them, under the leadership of a high-level Coordination Council, comprised of officials from the government and the four organizations.

Safeguards and Fiduciary Issues

35. Of the 13 projects IEG validated during the CPS period eight projects in the sectors of agriculture, energy, environmental and natural resources, trade and competitiveness triggered environmental and social safeguards. The CLR did not assess the country's compliance with the safeguards. The ICRs for the eight projects and their reviews by IEG indicate that all due diligence requirements were respected. Implementation issues related to safeguards and fiduciary issues were budget shortage, limited access to sub-projects, dust, noise, engine exhaust, disposal of solid non-hazardous waste, and construction difficulties associated with the movement of machines, material and workers. In the environmental and natural resources sector additional issues were the restricted access to resources, implementation delays, data inconsistencies, radioactive contamination of land. The ICRs and the IEG reviews inform that the issues have been resolved or in the process of being resolved. Compliance was reported as achieved in all operations.

36. An Inspection Panel (IP) case was opened to investigate the alleged violations of Safeguards and Bank's policies on Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP4.04), Involuntary Resettlement (OP/BP 4.12), project supervision (OP/BP 13.0) and access



to information in the case of the ongoing South West Road Project (P099270). The IP registered the case in August 2011 considering claims over inadequate compensation, environmental harm and inadequate impact assessment. The Bank's management response pointed that these issues had been acknowledged and were being resolved. After additional interaction with the claimants and the Bank's management, the Panel recommended no further investigation.

Ownership and Flexibility

37. The government has substantial ownership of the demand driven CPS program. That ownership is demonstrated by its request of a \$1 billion loan (DPL) –to attenuate the oil price shock of 2014– and by the conversion of the JERP program into an expanded and larger RAS. The World Bank's prompt response to these requests demonstrate its flexibility in implementing the program, adjusting it to the country's changing circumstances. Ownership from other stakeholders is less evident given the difficult operating environment for civil society organizations in the country. Nevertheless, the World Bank has engaged citizens in the design and implementation of some projects, such as the Education Modernization, Social Health Insurance and Climate Change and Mitigation for the Aral Sea Basin projects. During the preparation of the CPS the Bank carried out consultations with civil society organizations which identified key areas that are in line with those covered in the CPS program. Also, the WBG has begun to use country systems and is ready to use the Government's e-tendering module for procurement in WBG financed projects.

WBG Internal Cooperation

38. The World Bank and IFC supported objectives 2 (employment and non-oil exports), 3 (financial sector), 5 (agriculture), and 7 (transport), all under Focus Area I, Improving Competitiveness and Fostering Job Creation. They also supported objective 13 (energy efficiency) under Focus Area III, Ensuring Development is Environmentally Sustainable. The IFC operations formed part of the results framework and there were some specific instances of collaboration between the World Bank and IFC, such as in BAKAD (the road project around Almaty), the JERP/Renewable Energy and the Country Private Sector Diagnostic. However, the indicators in the results framework suggest that IFC and the World Bank operated alongside but separately from each other. For example, in objective 3 the program sought to improve the insolvency system and strengthen the stability of the financial sector. IFC invested in financial institutions and advised microfinance institutions to improve their lending operations to serve clients in rural areas. While the World Bank actions (on stability and solvency) are linked to the objective of reinvigorating the financial sector, the results chain from IFC interventions (IFC investments and microfinance lending) to the CPS objective is not clear. Moreover, IFC interventions do not measure results. A similar comment applies to objectives 2, 5 and 7, suggesting that both IFC and the World Bank did not coordinate beforehand on how their interventions would help to achieve the objectives of the WBG's strategy.

Risk Identification and Mitigation

39. The CPS identified three risks: political (e.g., stability, governance, rule of law), economic and management of natural resources (e.g., economic freedom, volatility in oil price and volume), and external (e.g., continued eurozone turmoil and its debt crisis). In the event of adverse external shocks, the CPS envisioned rapid policy advisory work and possible development policy operations; the work on governance would help the World Bank Group to deal with risks to the program and to the portfolio; greater attention to implementation constraints would increase implementing knowledge and lending activities. The external risks materialized when oil prices fell sharply in 2014, making it necessary to effect large adjustments in fiscal, monetary and exchange rate policies. The World Bank mitigated this risk through a development policy loan for \$1 billion. The oil price shock brought to the forefront the capacity risks to implementation and sustainability of reforms. While the RAS program helps build that capacity these risks will persist before the higher capacity materializes.

Overall Assessment and Rating

40. IEG rates WBG performance as **Fair**. The CPS and PLR tackled well-known development challenges and its focus areas and objectives were well aligned with the government's development



program. The program was demand driven and was based on good knowledge of the economic and political constraints in the country, a result of the WBG's engagement in the country through the JERP/RAS program. The WBG selected a program of loans and ASA that balanced the country's need for technical assistance and its limited need for financial assistance. The program selected objectives of substantial relevance but its results framework lacks coherence in several areas with weak logical chain connecting indicators to results and results to objectives: in some instances the objectives sought goals that could not be achieved with the program's tools (e.g., governance and customs); in other instances the program defined the intervention as the indicator, particularly frequent in IFC interventions; last, some indicators could not measure adequately the impact of the program (e.g., targeted reviews and public expenditure efficiency). Furthermore, the number of CPS objectives may have been excessive for Kazakhstan's capacity to execute the program, as evidenced by the number of planned projects that were not implemented, the poor portfolio performance by number of projects, and the low outcome ratings on a number of pre-existing and new projects. The PLR missed an opportunity to address these deficiencies. These make it difficult to assess the impact of the program and build up knowledge related to its results, design and implementation. The CPS and the PLR identified well the risks of the program and selected appropriate mitigation measures. Some of the program's poor results obey to the pitfalls in design noted above.

41. Although there were some specific instances of collaboration between the World Bank and IFC, there was scope for both WB and IFC to have a closer dialogue rather than to work alongside but separately from each other. The WB did not act in a timely fashion to reduce capacity risk, which it addressed only when the crisis exploded by stepping up efforts to ensure that government officials could implement the projects better, faster and with fewer mistakes, but this was probably too little and too late. The WB produced knowledge services of substantial relevance and disseminated only some of it (e.g., fiscal, SCD) as it may be restricted for contractual reasons to disseminate RAS output. The WBG complied with safeguards and fiduciary issues in all its operations. The WB responded promptly to the oil price shock with a \$1 billion loan to cushion the impact of the falling oil prices and stepping up the ASA on finance and macroeconomic management. The WBG has begun to use country systems and is ready to use the Government's e-tendering module for procurement in WBG supported projects. Delays in starting the irrigation and energy projects affected overall program performance, because the projects have few results to show, pulling down the outcome rating. Overall, delays in implementation, as reflected in the seven PLR projects that were not approved during the CPS period, also contributed to the poor results of the program.

7. Assessment of CLR Completion Report

42. The CLR informs about the program's development outcomes and the performance of the World Bank Group. The CLR examines how the program aligned with the corporate goals of shared prosperity and inclusive growth and presents adequate evidence about the implementation of the program. The CLR reports that there were no major fiduciary issues and does not discuss how the WBG dealt with safeguards and conflict of interest. The CLR does not discuss the relevance of design of the results framework and the quality of the results indicators, a shortcoming that may explain its optimistic assessment of the impact of the program. The CLR assesses the program's development outcome by grouping indicators (outcomes in CLR terminology) under the relevant Focus Area and rates an outcome as achieved if the target indicator was met, whether or not the indicator is adequate to rate achievement of objective. The CLR rates outcome by Focus Areas and not by objective. The CLR produces an optimistic assessment of the program's outcome because its method (a) bypasses mapping indicators to objectives, (b) counts indicator met as objective achieved, neglecting whether it is appropriate to measure achievement of objective; and (c) counts 28 outcomes when it should have examined 13 objectives. The weaknesses in the methodology obscure what the program achieved and failed to achieve.



8. Findings and Lessons

43. The most relevant lessons of the CLR are summarized below. First, knowledge of the country and flexibility to adjust allowed the WBG to engage in the government's development agenda. Second, to improve the impact of the program, the World Bank and the government need to solve the systemic issues that delay the program's execution. Third, selectivity and flexibility continue to be key for achieving results. Fourth, careful sequencing of project phases can make project implementation more effective. Fifth, a smooth implementation of complex projects requires that the organizations involved in their design and execution own the projects. Sixth, after the sharp depreciation of the tenge (the national currency), the experience with the Almaty Ring Road Project demonstrates that close collaboration between the government, the private sector, WBG and other financial institutions can reduce costs and optimize project structure.

44. IEG adds the following lessons:

- Capacity constraints raise the risks from crises. The oil crisis uncovered a limited local capacity to implement programs. Because building capacity takes time, the WBG needs to allocate more human and financial resources to building capacity, improve the monitoring and evaluation of operations in the country, and include the latent risks of capacity constraints in its preparation of future projects and strategies.
- CPS results framework help assess programs and contribute to create and disseminate knowledge about what works and does not work. The Kazakhstan CPS suffered from an incomplete framework that prevented adequate monitoring and measurement of results. To assess programs and build knowledge the WBG needs to ensure its results frameworks have (a) clear and coherent chain of results and (b) indicators that can be measured and truly reflect the development outcomes.

Annex Table 1: Summary of Achievements of CPS Objectives – Kazakhstan

Annex Table 2: Kazakhstan Planned and Actual Lending, FY12-FY17 (\$, millions)

Annex Table 3: Analytical and Advisory Work for Kazakhstan, FY12-17

Annex Table 4: Kazakhstan, Grants and Trust Funds Active in FY12-17 (\$, millions)

Annex Table 5: IEG Project Ratings for Kazakhstan, FY12-17 (\$, millions)

Annex Table 6: IEG Project Ratings for Kazakhstan and Comparators, FY12-17

Annex Table 7: Portfolio Status for Kazakhstan and Comparators, FY13-17

Annex Table 8: Disbursement Ratio for Kazakhstan, FY12-17

Annex Table 9: Net Disbursement and Charges for Kazakhstan, FY12-17 (\$, millions)

Annex Table 10: Total Net Disbursements of Official Development Assistance and Official Aid for Kazakhstan (\$, millions)

Annex Table 11: Economic and Social Indicators for Kazakhstan, 2012-2017

Annex Table 12: List of IFC Investments in Kazakhstan (\$, millions)

Annex Table 13: List of IFC Advisory Services in Kazakhstan (\$, millions)

Annex Table 14: IFC net commitment activity in Kazakhstan, FY12 - FY17 (\$, millions)

Annex Table 15: List of MIGA Projects Active in Kazakhstan, FY12-17 (\$, millions)



Annex Table 1: Summary of Achievements of CPS Objectives – Kazakhstan

	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
<u>Major Outcome Measures</u>	1. CPS Objective: Strengthening fiscal discipline and trade openness/integration		
	<p>Indicator 1: Prudent management of oil revenue maintained, with government net financial worth (as measured by difference between stock of National Fund of the Republic of Kazakhstan (NFRK) assets and sovereign debt) above its 2012 level of 20% of GDP by 2017.</p>	<p>The ICR: MS of project P154702 reports that estimated Net Financial Assets of the Government (as a share of GDP) for 2017 is 15.3% - below the 2012 level of 20%. The CLR reports that the baseline for 2012 has been revised to 15.5%, however this revision is not reflected in the indicator targets of the PLR.</p> <p>Not Achieved</p>	<p>The objective was supported by the Kazakhstan Programmatic Development Policy Financing (P154702, FY16) and the following ASA projects: Fiscal Management for Growth (P129162, FY15), Improvement of Public Debt Management (P128786, FY12), and Enhancement of Fiscal Sustainability (P158642, FY16)</p>
	2. CPS Objective: Expanding non-oil sector exports and employment		
	<p>Indicator 1: Improved regulatory environment, as measured by Doing Business ranking (up from 46 in 2011 to 35 by 2017).</p>	<p>The CLR reports that Kazakhstan ranked 35th in the Ease of Doing Business for 2017 which reports the ranking for 2016. The Ease of Doing Business report (2018), which is current as of June 1, 2017 (see doingbusiness.org), reports that Kazakhstan's rank in 2017 is 36.</p> <p>Achieved</p>	<p>The objective was supported by the following ASAs: Enhancement of Business Environment (P132680, FY14), Enhancing Productivity and Competitiveness through Enterprise Modernization Support Mechanisms (P127984, FY12), JERP Competition Protection Policy (P147770, FY14), Improvement of Competitiveness through Reduction of Trade Barriers (P143330, FY14), Jobs - Sector Specific Analysis of Barriers and Opportunities JERP FY15 (P153621, FY16), Mineral Tax Regime Analysis (P147763, FY15), and IFC's PEP CA CG-KAZ AS project (534269, FY11).</p>



	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
			<p>At the PLR stage, the indicator dropped part of its target: <i>Business Environment and Enterprise Performance (BEEPs; percent of firms identifying business licensing and permits as a major constraint down from 25.2 percent in 2009 to below 15 percent by 2017).</i></p> <p>The Ease of Doing Business report (2019) reports that Kazakhstan's rank improved further in 2018 to 28.</p>
	<p>Indicator 2: Technology Commercialization Office (TCO) established, awarding at least 10 small technology commercialization grants (pre-commercialization, joint research with industry, international patenting, industrial internship for scientists) and enabling at least 15 groups of scientists to perform high-quality research.</p>	<p>The ICR: MS of project P090695 reports that 33 Senior Scientist Groups (SSG) and Junior Research Groups (JRG) were established as of December 2015. The ICR also reports that there were 33 grants awarded by the TCO for P090695 as of December 2015.</p> <p>Achieved</p>	<p>The objective was supported by the Technology Commercialization project (P090695, FY08).</p> <p>The indicator did not include a baseline information and target year.</p>
	<p>Indicator 3: IFC invested in manufacturing (paper packaging, cement), agribusiness (food and beverages, agriculture commodities), and real estate.</p>	<p>The CLR reports that IFC's portfolio diversified in favor of the non-financial sector (manufacturing and agribusiness) from 34% to 65% (<i>no date provided by the CLR</i>).</p> <p>Both IFC projects (35534 and 35691) are in the food and beverages sector. In addition, IFC also invested in cement (26891) and in real estate and manufacturing.</p> <p>Achieved</p>	<p>The objective was supported by the IFC investment project RG Brands (35534, FY15), Jambyl Cement (26891, FY09), and Soufflet 2 MSK (35691, FY15).</p> <p>The indicator did not include a baseline and target information.</p>
	<p>Indicator 4: IFC provided advisory services on corporate governance to Government and over 100 companies and conducted studies on tax</p>	<p>The CLR reports that the World Bank conducted reviews on tax policy (and transparency) through the JERP and TA on a new Tax code. However, the indicator states that IFC should be the provider of advisory services and not the</p>	<p>The objective was supported by the following regional IFC AS projects: CAsia CG-Taj (553287, FY11).</p>



	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
	transparency and regulatory reform.	World Bank. The CLR reports that IFC provided advisory services to 10 companies. Not Achieved	The indicator did not include a baseline and target information, including year.
3. CPS Objective: Reinvigorating financial sector			
	Indicator 1: Ratio of NPLs to total loans (32.6% in 2012) at least halved by 2017 and well provisioned.	The World Bank's Global Financial Development reports that bank non-performing loans to gross loans was 6.7% in 2016 while provisions to nonperforming loans was 72%. The ratio of bank non-performing loans to total gross loans more than halved, from 19 percent in 2012 to 7 and 9 percent in 2016 and 2017 (The National Bank of the Republic of Kazakhstan indicate in their Financial Stability Report 2015-2017 that the stock of NPL (90+) was 10% of all loans as of December 2017 with 75% provision coverage (Figure 5.4). However, the CLR reported that the decrease in share of NPL loans was only due to a substantial bail-out package channeled via the recapitalization of the state-owned Problem Loans Fund (see p.77-78 of the Financial Stability Report 2015-2017. No information is available about whether the 75 percent of provisions is an adequate level of provisions. Mostly Achieved	The following ASAs supported the objective: JERP - Improvement of the Insolvency System FY13-16(P132696, FY13; P147790, FY14; P153623, FY15; P157707, FY16) and TA for Strengthening Stability of Financial Sector JERP FY15 (P153643, FY16). At the PLR stage, the indicator was reframed from the original.
	Indicator 2: IFC invested in financial institutions, including microfinance and universal banking, also provided trade guarantees. Sector portfolio serving 15,200 microfinance and 10,000 SME clients.	The CLR reports that IFC's investments in three financial institutions of Kazakhstan resulted in the extension of financial services to more than 134,000 MSMEs. KMF, an IFC client and one of the largest MFI in the country has over 220,000 clients. IEG has verified that the MSME portfolio of IFC client financial institutions exceed the target indicator. Achieved	The objective was supported by IFC's investments in financial institutions. The indicator did not include a baseline and target information, including year.
	Indicator 3: IFC providing advisory services to microfinance institution to improve its lending operations, serving more clients in rural area and thus supporting rural development.	As a result of the AS project, the number of outstanding loans were increased from 10,100 at baseline (2013) to 11,229 (value of US\$19.5 million) at the end of FY17 (AS Completion Report). Achieved	The objective was supported by IFC's KZ MFTP AS project (596947, FY14) which provided advisory services to promote financial inclusion of undeserved SMEs in



	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
			<p>South Kazakhstan's remote and rural areas.</p> <p>The indicator did not include a baseline and target information, including year.</p>
4. CPS Objective: Building skills for employment			
	<p>Indicator 1: Share of technical vocational education programs revised in line with new (2013) competency standards by at least 20% by 2017 - better equipping graduates with skills demanded in labor market.</p>	<p>The ICRR IEG: MS of project P102177 reports that the core curriculum was revised and aligned with occupational standards in 147 or 100% of educational programs supported by the project at closing (December 2015). The CLR reports that there were 212 programs in total which would imply a share of 70%. The CLR also reports that as of June 2017, 91% of the programs have been revised with a plan to reach 100% revision by 2019. However, IEG could not find project documents to validate the CLR's evidence.</p> <p>Achieved</p>	<p>The objective was supported by the Technical and Vocational Education Modernization project (P102177, FY11).</p> <p>At the PLR stage, the indicator was reframed from the original.</p>
5. CPS Objective: Strengthening knowledge for sustained growth in agriculture			
	<p>Indicator 1: New applied technologies in farming (for example, conservation agriculture, new methods of veterinary diseases testing) result in increased crop/fodder output, supporting 50% increase in meat production (0.84 million tons in 2010) by 2017.</p>	<p>The CLR reports that the objective was planned to be supported by a livestock project that was dropped. In addition, the CLR also reports that meat production reached 0.96 million tons at the of 2016. However, IEG could not find project documents that support this evidence. While project P086592 aimed to rehabilitate and modernize the irrigation and drainage systems to support farmers, the project did not monitor this indicator.</p> <p>Not Verified</p>	<p>This objective was supported by the Second Irrigation and Drainage Improvement Project (P086592, FY13) and the following ASAs: Identifying Priorities for Sustainable Development of Animal Nutrition (P148101, FY15), and Agricultural Strategy, Policy and Budget Formulation JERP (P129345, FY15).</p> <p>At the PLR stage, the indicator baseline was modified from the original: <i>(0.94 million/tons in 2010)</i></p>
	<p>Indicator 2: IFC invested in agribusiness (food and</p>	<p>Both IFC projects (35534 and 35691) are in the food and beverages sector. The</p>	<p>The objective was supported by the IFC investment project RG</p>



	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
	beverages, agriculture commodities).	CLR reports that investments in RG Brands supported 2,000 direct Jobs. Achieved	Brands (35534, FY15) and Soufflet 2 MSK (35691, FY15). The indicator did not include a baseline and target information, including year.
	Indicator 3: IFC Food Safety Program focuses on (a) assisting one food company in implementing food safety practices; (b) stimulating development of local institutional capacity for promotion and implementation of suppliers' food safety standards; and (c) promoting sector-wide demand by raising awareness about agribusiness standards and developing client pipeline.	The IFC AS 599215 which provided advisory services to the company Kazbeef on the implementation of food safety management system. The retailer Metro also received advisory services to improve food safety practices and help build capacity of twelve suppliers of processed food. In addition, the AS project conducted several events, including the International Food Safety Forum which was delivered in Kazakhstan, among others. The CLR, however, cautions on the reporting of the adoption of the systems. Achieved	The objective was supported by IFC's ECA Agribusiness Standards regional AS project (599215, FY13). The indicator did not include a baseline and target information, including year.
	Indicator 4: IFC providing advisory services on energy efficiency at two levels as explained in Area of Engagement 3, Outcome 28 (Raising Energy Efficiency).	The IFC AS 60167 provided advisory services to RG Brands in order to increase investment in climate friendly energy and water efficient solutions. 539 MWh per year of energy use was expected to be avoided by RG Brands as a result of the project (AS Completion Report). However, the CLR reports that there were no policy/regulatory level work on energy efficiency during the CPS period. Not Achieved	The objective was supported by IFC's ECA Energy and Water regional AS project (601067, FY16) and CA Energy Infra AS project (599545, FY14). The indicator did not include a baseline and target information, including year.
6. CPS Objective: Improving energy transmission to poor areas			
	Indicator 1: Kazakhstan Electricity Grid Operating Company's (KEGOC) transmission capacity increased by 5% between 2012 (34,000 MVA) and 2017 to alleviate existing and projected power shortages in South and East Kazakhstan.	The ICRR IEG: S of project P114766 reports that the project constructed several transmission lines and modernized substations. However, the project did not monitor any indicator regarding transmission capacity. The ICRR IEG: S of project P116919 reports that the project's construction of several transmission and cross-connection lines, together with the construction, extension and modernization of the substations, resulted in the increase in transmission capacity to the Almaty	The objective was supported by the Moinak Electricity Transmission project (P114766, FY10), the Alma Electricity Transmission project (P116919, FY11).



	CPS FY12-FY17: Focus Area I: Improving Competitiveness and Fostering Job Creation	Actual Results	IEG Comments
		<p>region from 1,000 MVA (2009) to 2,000 MVA (July 2014).</p> <p>The Annual report of KEGOC for 2017 report that the installed transformer capacity of the 78 electric substations was 36,660 MVA.</p> <p>Achieved</p>	
7. CPS Objective: Building transport connectivity and lowering costs			
	<p>Indicator 1: Increased transport efficiency through reduction in road-user costs and rate of road crash fatalities along 1,062 km section of Western Europe-Western China (WE-WC) Road Corridor by at least 10% by 2017 (in 2007: road users' cost was US\$0.26 per vehicle-km and road crash fatalities were 11/100 million vehicle-km).</p>	<p>The December 2017 ISR: S of project P099270 report that 1,060 km of the 1,150 km roads supported by the Project has been successfully built and opened to traffic. This resulted in the reduction of road user cost to US\$0.24 per vehicle-km and road crash fatalities to 9.5 per 100 million vehicle-km as of December 2017. The December 2017 ISR: S of project P128050 reports that all civil work along the 305 km road section supported by the project was opened to the public in October 2017 resulting in a US\$0.24 per vehicle-km road user cost as of December 2017. Although the target for road crash fatalities was achieved, the target for road user cost decreased by less than 10%.</p> <p>Mostly Achieved</p>	<p>The objective was supported by the South-West Roads project (P099270, FY09) and East-West Roads project (P128050, FY12), and Center-West, Regional Development Project (P153497, FY16).</p> <p>At the PLR stage, the indicator target year was modified from the original: 2013</p>
	<p>Indicator 2: IFC invested in a rail leasing company.</p>	<p>IFC provided an equity investment of up to US\$ 20 million and an A loan of up to US\$30 million to Eastcomtrans – a railcar leasing company.</p> <p>Achieved</p>	<p>This objective was supported by IFC's ECT investment project (30975, FY13).</p> <p>The indicator did not include a baseline and target information, including year.</p>
	<p>Indicator 3: IFC advises Government on structure and implementation of international tender for Big Almaty Ring Road (BAKAD).</p>	<p>The CLR reports that IFC provided advisory services to structure a PPP transaction for the concession of the Almaty Ring Road and supported the tender process.</p> <p>Achieved</p>	<p>The objective was supported by the IFC' AS project Almaty Ring Road (593827, FY13).</p> <p>The indicator did not include a baseline and target information, including year.</p>



	CPS FY12-FY17: Focus Area II: Strengthening Governance and Improving Efficiency in Public Service Delivery	Actual Results	IEG Comments
Major Outcome Measures	8. CPS Objective: Improving governance		
	<p>Indicator 1: Physical inspections of import declarations by customs reduced from 70% in 2007 to 20% by 2017; and average customs processing time at border posts (24 hours in 2010) reduced by 75% by 2017 as evidenced from client surveys</p>	<p>The CLR reported that physical inspections of import declarations fell to 4.9% in 2017 from 70% in 2007. In addition, the average customs processing time was reduced to 7 hours in 2017 from 24 hours in 2010. IEG could not find project documents supporting this evidence. The ICRR IEG: MU of project P096998 reports that physical inspections were reduced to 14.8% and customs processing time was reduced to 13.4 hours as of 2015. In addition, the ICRR of P096998 could not find evidence of attribution to the project as the e-declaration and e-audit system components of the project were not fully implemented</p> <p>Partially Achieved</p>	<p>This objective was supported by the Customs Development project (P096998, FY08) and the ASA Technical Assistance for Civil Service Agency (P130926, FY15).</p> <p>The World Bank's Logistics Performance Index reports that merchandise inspected physically fell from 18 percent in 2007 to 5 percent in 2018 and that clearance time without physical inspection went from 1 day in 2012 (no data for 2007) to 4 days in 2018.</p>
	9. CPS Objective: Strengthening budget and accounting institutions		
<p>Indicator 1: Increase in e-procurement transactions (25,000 in 2012) by 20% by 2017, and efficiency of e-procurement system enhanced by introduction by 2014 of electronic reverse auction system.</p>	<p>The CLR reports that the target has been exceeded with 123,310 open bidding transactions undertaken in 2016. In addition, the CLR indicated that the e-reverse auction system is already fully functional. The 2019 Methodology for Assessing Procurement Systems report for Kazakhstan shows that there were more than 2 million contracts conducted through the public procurement web portal in 2017</p> <p>The report Survey Responses on e-Government Procurement System (2017) by the Asian Development Bank indicate that the e-reverse auction system is operational (Figure 9).</p> <p>Partially Achieved</p>	<p>The objective was supported by the ASA Development of E-Procurement System (P123590, FY12) by assisting the Government to design and manage an internet-based e-reverse auction system (Report).</p> <p>At the PLR stage, the indicator was reframed from the original.</p> <p>The Government's e-procurement website is http://goszakup.gov.kz/</p>	
<p>Indicator 2: Quality and efficiency of public spending improved through introduction of targeted reviews of selected areas on rolling basis, with at least four</p>	<p>The CLR reports that there were no public expenditure reviews during 2013-2016 with the first review completed in FY18 (Kazakhstan Public Finance Review (PFR) (P162003)). In addition, the PEFA</p>	<p>The indicator did not include a baseline information, including year.</p>	



CPS FY12-FY17: Focus Area II: Strengthening Governance and Improving Efficiency in Public Service Delivery	Actual Results	IEG Comments
reviews completed during 2013–16.	2018 reports that there have been positive developments in Kazakhstan's Public Financial Management. Not Achieved	
Indicator 3: International standard user satisfaction survey on quality and reliability of statistical data introduced in 2012 with 80% satisfaction rates by 2017.	The ICRR IEG: S of project P120985 reports that the user satisfaction rating on the quality and reliability of data is 94.4% for 2016. The satisfaction survey was conducted by the Public Opinion Research Center (report). Achieved	The objective was supported by the Statistical Capacity Building project (P120985, FY11) and the FY15 Capacity Building for Public Sector Accounting Reform
10. CPS Objective: Reforming social protection system		
Indicator 1: Conditional cash transfers piloted in at least two regions	The ASA assisted the government in developing instruments and methodologies to implement the conditional cash transfers (Completion Summary FY14), and supported the government in the pilot implementation of the Orleu project to three oblasts (Akmola, East-Kazakhstan and Zhambyl), and in the preparations for full-scale implementation in 2018 (Completion Summary FY15 ; Completion Summary FY16 ; Completion Summary FY17). Achieved	The objective was supported by the ASA Improvement of Social Safety Net System (P143065, FY14; P147259, FY15; P153524, FY16; P158663, FY17) At the PLR stage, the indicator was modified from the original: <i>Conditional cash transfers are piloted in at least two regions of the country; and depending on need, gender parity is targeted in activation support services utilization.</i> The indicator did not include a baseline and target information, including year.
11. CPS Objective: Sharpening strategic approach to health reforms		
Indicator 1: By 2016, 10% reduction in population's out-of-pocket health expenditures as share of total health expenditures (32.9% in 2010).	The ICRR IEG: MS of project P101928 reports that financial risk protection did not improve with health expenditures (out-of-pocket) as a share of total household expenditures – 35.3% in 2016..	The objective was supported by the Health Sector Technology Transfer and Institutional



	CPS FY12-FY17: Focus Area II: Strengthening Governance and Improving Efficiency in Public Service Delivery	Actual Results	IEG Comments
		Not Achieved	Reform project (P101928, FY08) and the Social Insurance project (P152625, FY16). At the PLR stage, the indicator was reframed from the original.
	CPS FY12-FY17: Focus Area III: Ensuring Development Is Environmentally Sustainable	Actual Results	IEG Comments
	12. CPS Objective: Safeguarding the environment		
<u>Major Outcome Measures</u>	Indicator 1: Remediation of the high-priority industrial waste dumps polluting the air and groundwater in Ust-Kamenogorsk and establishment of groundwater monitoring system.	The ICRR IEG: MU of project P078342 reports that 5 out of 7 high priority areas have been remediated by project closing (December 2016). The remediation of the sixth site started late due to disagreements with the site's management which resulted in 80% of remediation work being completed by project close. The seventh site – the highest priority waste dump (biggest source of radioactive contamination of ground water) – was not remediated. The CLRR also reports that a complex ground water monitoring system was established with a network of 100 monitoring points.	This objective was supported by the Ust-Kamenogorsk Environmental Remediation project (P078342, FY07). The indicator did not include a baseline and target information, including year.
	Indicator 2: Reforestation of 44,000 ha completed; and damage from forest fire in Irtysh Pine Forest reduced by 50% by 2017 (9 ha per case of fire on average during 2009–11).	The ICRR IEG: MS of project P078301 reports that 46,000 ha were re/afforested as of May 2015. In addition, 61,000 ha in Dry Aral Seabed were rehabilitated and 650,000 ha of forest under improved fire management. The ICR: MS of project P078301 mentions in the text that the average area of fire incident was reduced from 23.7 ha (2003-11) to 1.67 ha (2012-13) after the installation of the early monitoring system – a 70% reduction. However, P078301 did not monitor this indicator relating to fire damage directly and the improvement reported in the ICR corresponds to the beginning of the CPS period.	The objective was supported by the Forest Protection and Reforestation project (P078301, FY05) and its GEF grant (P087485, FY14). At the PLR stage, the indicator was reframed from the original.
		Mostly Achieved	
		Achieved	



CPS FY12-FY17: Focus Area III: Ensuring Development Is Environmentally Sustainable	Actual Results	IEG Comments
<p>Indicator 3: Water supply systems rehabilitated in 113,000 ha covering four southern oblasts, bringing water distribution by service providers to levels demanded by farmers.</p>	<p>The December 2017 ISR: MU of P086592 was not accompanied by a progress report. The most recent ISR: MU (November 2018) also did not provide any progress report as the construction activities have just started.</p> <p>Not Achieved</p>	<p>The objective was supported by the Second Irrigation and Drainage Improvement Project (IDIP2) (P086592, FY13) and the ASA Technical Advisory and Implementation Support for Modernizing and Strengthening Efficiency of Irrigation and Drainage Systems (P154116, FY17).</p> <p>The indicator did not include a baseline and target information, including year.</p>
<p>13. CPS Objective: Raising energy efficiency</p>		
<p>Indicator 1: Cumulative energy savings in targeted public facilities will increase from 0 to 825 GWh by 2017.</p>	<p>The January 2018 ISR: MS of project P130013 reports that the quantified energy savings achieved as result of the project is 178.3 GWh as of December 2017.</p> <p>Not Achieved</p>	<p>The objective was supported by the Energy Efficiency project (P130013, FY13).</p> <p>The indicator did not include a baseline year.</p>
<p>Indicator 2: IFC providing advisory services on renewable energy and energy efficiency at two levels: (a) policy level, to open up new markets by removing legal and regulatory barriers to private investments and (b) company level, to provide targeted assistance to first-mover private sector and utility efficiency projects.</p>	<p>The IFC AS 599545 provided comprehensive policy-level engagement for renewable energy market development and the development of the 2016 Green Economy Law, which includes indexing Feed-in Tariffs (FIT) to exchange rate fluctuations.</p> <p>At the company-level, the project provided advisory services to 4 renewable energy companies in Kazakhstan (AS completion report):</p> <ul style="list-style-type: none"> • Vestas - advice on market entry strategy for Kazakhstan; • Fonroche Renewable - advice on regulatory framework, project planning risks including land rights; review of solar resource assessment, E&S risks, feasibility study, etc.; 	<p>The objective was supported by IFC's CA Energy Infra AS project (599545, FY14) and the ECA Energy and Water regional AS project (601067, FY16).</p> <p>The indicator did not include a baseline and target information, including year.</p>



	CPS FY12-FY17: Focus Area III: Ensuring Development Is Environmentally Sustainable	Actual Results	IEG Comments
		<ul style="list-style-type: none">• Promondis - drafting of bankable project-specific power purchase agreement;• Energomost - present proposals for advisory services in 2017. However, the AS completion report did not mention the results of the proposal. <p>No specific results have been associated with the advisory services provided. 601067 also supported the objective by providing advisory services to one company in order to increase investment in climate friendly energy and water efficient solutions (AS Supervision report FY2017Q4). However, no renewable energy production has been reported yet in the supervision documents of 601067 (AS Supervision report FY2019Q2).</p> <p>Partially Achieved</p>	



Annex Table 2: Kazakhstan Planned and Actual Lending, FY12-FY17 (\$, millions)

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IBRD Amount
Project Planned Under CPS/PLR FY12-17					CPF	PLR	
P128050	East West Roads Project; \$1.2billion (FY12)	2012	2012	2022	1200	1200	1068
	Youth Corps Project Swiss TF; \$20 million (FY12)	2012	0	0	20	20	
	Energy Efficiency Project SwissTF; \$20 million (FY12)	2012	0	0	20	20	
	Hazardous and POPs Waste Management	2012	0	0		34	
P086592	Irrigation and Drainage Improvement Project (Phase II); \$105 (FY13)	2013	2013	2022	105	105	103
Dropped	Syr Darya Control and North Aral Project (Phase II); (FY13)	2013	0	0		106	
	Persistent Organic Pollutants (POPs) Management GEF Grant (FY12) and Project (FY13-14)		0	0			
Dropped	Electricity Transmission Project (FY14)	2014	0	0			
P143274	Justice Sector Institutional Strengthening	2014	2014	2020		36	36
	Public Sector Accounting Reform	2014	0	0		0.2	
P150402	Fostering Productive Innovation	2015	2015	2021		88	88
P147705	SME Competitiveness	2015	2015	2021		40	40
P150183	Skills and Jobs	2015	2015	2020		100	100
P154702	Macroeconomic Management and Competitiveness DPL	2016	2016	2017		1000	1000
P152625	Social Health Insurance	2016	2016	2021		80	80
P153497	Center-West Regional Development Corridor	2016	2016	2022		978	978
P153496	Education System Modernization	2017	2017	2023		80	67
Dropped	Climate Change and Mitigation	2017	0	0		10	
Dropped	Center-South Regional Development Corridor	2017	0	0		645	
	Total Planned				1,345	4,542	3,560
Unplanned Projects during the CPS Period			Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IBRD Amount
						17	10
	Total Unplanned						0



On-going Projects during the CPS/PLR Period		Approval FY	Closing FY		Approved IBRD Amount
P102177	TVEM	2011	2016		29
P116919	ALMA TRANSMISSION PROJECT	2011	2015		78
P120985	KAZSTAT	2011	2017		20
P114766	MOINAK ELECTRICITY TRANS PROJECT	2010	2013		48
P116696	Tax Administration Reform Project	2010	2021		17
P119856	DPL	2010	2011		1000
P099270	SOUTH WEST ROADS	2009	2022		2125
P090695	KZ Tech Commercialization	2008	2016		13
P096998	CUSTOMS DEVT	2008	2016		19
P101928	HLTH SEC TECH (JERP)	2008	2017		118
P078342	UST-KAMENOGORSK ENV REMED	2007	2017		24
P078301	FORESTRY	2006	2015		30
P095155	N-S ELEC TRANSM	2006	2012		100
P049721	AGRIC COMPETITIVENESS	2005	2012		24
P058015	AG POST PRIV ASSIST (APL #2)	2005	2012		35
P046045	SYR DARYA CONTROL N. ARAL SEA	2001	2013		65
Total On-going					3745

Source: Kazakhstan CPS and PLR, WB Business Intelligence Table 2a.1, 2a.4 and 2a.7 as of 2/8/19

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Analytical and Advisory Work for Kazakhstan, FY12-17

Proj ID	Economic and Sector Work	Fiscal year	Output Type	Practice
P129214	JERP Study to improve ind competitiveness	FY13	EW/Not assigned	Environment & Natural Resources
P143330	FY13/FY14 JERP Improvement of Compet	FY14	EW/Not assigned	Macroeconomics, Trade and Investment
P147154	KZ - Country Fiduciary System Review	FY14	EW/Not assigned	Governance
P129162	FY13/FY14 JERP: M-Term Cntr-Cyclic Macro	FY15	EW/Not assigned	Macroeconomics, Trade and Investment
P129345	Agriculture Policy JERP FY12	FY15	EW/Not assigned	Agriculture
P143688	JERP Agri-Food Supply Chain Development	FY15	EW/Not assigned	Agriculture
P146496	Kazakhstan Education Efficiency Review	FY15	EW/Not assigned	Education
P148276	JERP FY14 Improving Indust Compet	FY15	EW/Not assigned	Environment & Natural Resources
P149537	Kazakhstan Railways Strategic Logistics	FY15	EW/Not assigned	Transport
P156549	SWM Assessment	FY16	EW/Not assigned	Environment & Natural Resources



P156550	Norms and Standards	FY16	EW/Not assigned	Environment & Natural Resources
P146035	Kazakhstan Renewable Energy Integration	FY17	EW/Not assigned	Energy & Extractives
P158700	Subnational Doing Business in Kazakhstan	FY17	EW/Not assigned	Other
Proj ID	Technical Assistance	Fiscal year	Output Type	Practice
P118983	JERP Dev. of Post-graduate Education	FY12	TA/IAR	Education
P120886	JERP Modernization of Nat test syst.	FY12	TA/IAR	Education
P121184	JERP-Sovereign Wealth Fund Knowledge	FY12	TA/IAR	Macroeconomics, Trade and Investment
P122613	Kazakhstan ICR ROSC	FY12	Report	Finance, Competitiveness and Innovation
P123589	JERP - IFRS for SMEs TRNG	FY12	"How-To" Guidance	Governance
P123590	JERP - DEV E-PROC SYSTEM	FY12	TA/IAR	Governance
P127564	KZ Financial Sector Monitoring	FY12	TA/IAR	Finance, Competitiveness and Innovation
P127945	JERP CCT	FY12	TA/IAR	Social Protection & Labor
P127982	JERP -KZ Devt of New Enterp Insolven	FY12	TA/IAR	Finance, Competitiveness and Innovation
P127983	JERP - KZ Enhancement of Business Enviro	FY12	TA/IAR	Finance, Competitiveness and Innovation
P127984	JERP - KZ Enhancing Productivity and Com	FY12	TA/IAR	Macroeconomics, Trade and Investment
P128690	JERP Pensions	FY12	TA/EPD	Social Protection & Labor
P128737	AML/CFT TA to Kazakhstan under JERP 2012	FY12	TA/EPD	Finance, Competitiveness and Innovation
P128786	FY12 JERP Public Debt Mngt (incl. SOEs)	FY12	TA/IAR	Macroeconomics, Trade and Investment
P128811	JERP - IFRS application for SMEs - 2	FY12	TA/IAR	Governance
P131808	JERP Study Tour	FY12	TA/EPD	Environment & Natural Resources
P128641	CEM (Country Economic Memorandum)	FY13	Report	Macroeconomics, Trade and Investment
P128783	FY12 JERP Inter-Governmental Relations	FY13	TA/IAR	Governance
P128985	JERP - TA TO SUPPORT PPP DEVT-KAZAKHSTAN	FY13	TA/IAR	Transport
P132518	KZ - Financial Sector Monitoring	FY13	TA/IAR	Finance, Competitiveness and Innovation
P132681	JERP - Enhancing Productivity and Compet	FY13	TA/IAR	Macroeconomics, Trade and Investment
P132696	JERP - Improvement of the Insolvency Sys	FY13	TA/IAR	Finance, Competitiveness and Innovation
P133165	JERP Modernization of the Social Sphere	FY13	TA/IAR	Social Protection & Labor
P143003	FY13 JERP - RBB	FY13	TA/IAR	Governance
P143222	JERP Govt Securities Yield Curve Issues	FY13	TA/IAR	Macroeconomics, Trade and Investment
P144776	PPP Advisory Kazakhstan FY13	FY13	TA/IAR	Transport
P144885	Transport Strategy 2020	FY13	TA/IAR	Transport



P145164	KZ JERP Education Study Tour	FY13	TA/IAR	Education
P145450	JERP Study Tour - Environment	FY13	TA/EPD	Environment & Natural Resources
P128743	CSO - Kazakhstan	FY14	TA/EPD	Energy & Extractives
P128785	FY12 JERP Results-Based Budgeting	FY14	TA/EPD	Governance
P129034	JERP-PISA-SABER BENCHMARKING	FY14	TA/IAR	Education
P131313	PM BS on indiv responsibility in health	FY14	TA/EPD	Health, Nutrition & Population
P131386	PM BS on Pension Reform in KZ	FY14	TA/EPD	Social Protection & Labor
P131935	Internal Audit (JERP) TA	FY14	TA/IAR	Governance
P132680	JERP - Enhancement of Business Environme	FY14	TA/IAR	Macroeconomics, Trade and Investment
P133809	KZ Legislative Regulation of Mining Sctr	FY14	TA/IAR	Energy & Extractives
P143065	Improvement of Social Safety Net System	FY14	TA/IAR	Social Protection & Labor
P143221	JERP Kazakhstan Logistics Improvement	FY14	TA/IAR	Transport
P143337	TA to Kazakhstan under JERP 2013 Program	FY14	TA/EPD	Finance, Competitiveness and Innovation
P145116	Kazakhstan Pension TA	FY14	TA/IAR	Social Protection & Labor
P145286	KZ JERP SSN Study Tour	FY14	TA/IAR	Social Protection & Labor
P146424	KZ Social Modernization Brainstorming	FY14	TA/EPD	Social Protection & Labor
P147452	KZ e-Learning	FY14	TA/IAR	Education
P147770	JERP Competition Protection Policy	FY14	TA/IAR	Macroeconomics, Trade and Investment
P147790	JERP Improvement of the Insolvency Syste	FY14	TA/IAR	Finance, Competitiveness and Innovation
P147791	JERP Identif. of Constraints to Industri	FY14	TA/IAR	Macroeconomics, Trade and Investment
P148036	JERP Govt securities follow-on TA	FY14	TA/IAR	Macroeconomics, Trade and Investment
P106391	BOTA	FY15	TA/IAR	Social Protection & Labor
P128341	JERP - Kazakhstan EITI (FY12)	FY15	TA/IAR	Energy & Extractives
P130926	FY13 JERP Civil Service Reform	FY15	TA/IAR	Governance
P147259	Improvement of Social Safety Net System	FY15	TA/IAR	Social Protection & Labor
P147383	JERP FY14 -- Results Oriented Budgeting	FY15	TA/IAR	Governance
P147387	JERP FY14, Civil Service Reform	FY15	TA/IAR	Governance
P147763	Mineral Tax Regime Analysis	FY15	TA/IAR	Energy & Extractives
P147775	AML/CFT Component - JERP 2014 Program	FY15	TA/EPD	Finance, Competitiveness and Innovation
P148101	JERP Fodder Production-Animal Nutrition	FY15	TA/IAR	Agriculture
P148109	Migration Policy Advice	FY15	TA/IAR	Macroeconomics, Trade and Investment
P148225	FY14 - Tax Policy Advice to MEBP	FY15	TA/IAR	Governance
P148390	Gemloc Kazakhstan FY14	FY15	TA/IAR	Finance, Competitiveness and Innovation
P148477	Modernization of Housing and Utilities	FY15	TA/IAR	Social, Urban, Rural and Resilience Global Practice
P149368	Social Safety Net Imprvmnt Study Tour	FY15	TA/EPD	Social Protection & Labor



P149812	JERP Social Modernization Study Tour	FY15	TA/EPD	Social, Urban, Rural and Resilience Global Practice
P150421	FY14 JERP Study Tour - IHWMS	FY15	TA/EPD	Environment & Natural Resources
P151310	JERP BS on Public Administration Reform	FY15	TA/EPD	Governance
P153449	AML/CFT Legislation Amend. Preparation	FY15	TA/IAR	Finance, Competitiveness and Innovation
P153472	Non-observed Economy JERP	FY15	TA/IAR	Macroeconomics, Trade and Investment
P153623	Insolvency System Improvement JERP FY15	FY15	TA/IAR	Finance, Competitiveness and Innovation
P153784	Social Health Insurance System Devt JERP	FY15	TA/IAR	Health, Nutrition & Population
P153891	KZ Climate Change Risks Assessment	FY15	TA/IAR	Environment & Natural Resources
P154355	Agriculture Policy Brainstorming Session	FY15	TA/EPD	Agriculture
P154907	Analysis of Effect. of Economy Spprt Msr	FY15	TA/IAR	Macroeconomics, Trade and Investment
P147704	KZ Competitiveness and Ec Diversificatio	FY16	TA/IAR	Macroeconomics, Trade and Investment
P148364	Support for Mandatory Insurance Law	FY16	TA/IAR	Social, Urban, Rural and Resilience Global Practice
P150034	Kazakhstan#A057MandatoryCatastrophel nsur	FY16	TA/IAR	Finance, Competitiveness and Innovation
P153326	Pension System Improvement Options JERP	FY16	TA/IAR	Social Protection & Labor
P153351	Catastrophe Insurance	FY16	TA/IAR	Finance, Competitiveness and Innovation
P153434	Integration of Fiscal Agencies JERP	FY16	TA/IAR	Governance
P153495	Sustainability of Mining Operations JERP	FY16	TA/IAR	Energy & Extractives
P153522	Supporting EITI in KZ JERP	FY16	TA/EPD	Energy & Extractives
P153524	Social Safety Net System Improvement	FY16	TA/IAR	Social Protection & Labor
P153621	Jobs: Sector Specific Analysis JERP	FY16	TA/IAR	Jobs
P153622	Support to Labor Market Institutions	FY16	TA/IAR	Social Protection & Labor
P153624	Innovation Grants SME System Support	FY16	TA/IAR	Macroeconomics, Trade and Investment
P153643	KZ Financial Sector Development TA JERP	FY16	TA/IAR	Finance, Competitiveness and Innovation
P153783	Agriculture Census Preparation JERP	FY16	TA/IAR	Agriculture
P153876	Refine Audit System for INTOSAI compl- ce	FY16	TA/IAR	Governance
P153890	Strengthening Water Management in KZ	FY16	TA/IAR	Water
P153893	Business Regulations Review (RIA)	FY16	TA/IAR	Macroeconomics, Trade and Investment
P154038	Policy and Instit. Mechanisms for PPP	FY16	TA/IAR	Infrastructure, PPP's & Guarantees
P154039	Analysis of Agriculture Support Measures	FY16	TA/IAR	Agriculture
P154256	KZ Renewable Energy Market Development	FY16	TA/IAR	Energy & Extractives
P154268	KZ Services Sector Gap Analysis JERP	FY16	TA/IAR	Macroeconomics, Trade and Investment



P154386	District Heating and HCS Modernization	FY16	TA/IAR	Energy & Extractives
P154815	Impl Support to Public Sector Inst. Ref.	FY16	TA/IAR	Governance
P157707	Personal Insolvency System JERP FY16	FY16	TA/IAR	Finance, Competitiveness and Innovation
P157995	Higher Education Sector Briefing	FY16	TA/IAR	Education
P158642	Enhancement of Fiscal Sustainability	FY16	TA/IAR	Macroeconomics, Trade and Investment
P158793	Social Health Insurance Development JERP	FY16	TA/IAR	Health, Nutrition & Population
P158814	JERP-TA on SOEs structure and Governance	FY16	TA/IAR	Governance
P159098	Expert Support to Revenue Code Drafting	FY16	TA/IAR	Governance
P159740	TA in Drafting KZ Strategic Plan 2025	FY16	TA/IAR	Governance
P159881	Advice on the new Budget Code devt	FY16	TA/IAR	Governance
P153116	Education Quality Improvement JERP	FY17	TA/IAR	Education
P153577	Implementing Basic Principles of RBB	FY17	TA/IAR	Governance
P153608	KZ Towards a Jobs Strategy	FY17	TA/IAR	Jobs
P154116	Irrigation and Drainage Efficiency Imprv	FY17	TA/IAR	Water
P154312	KZ Roadmap for Urban Agglomerations JERP	FY17	TA/IAR	Social, Urban, Rural and Resilience Global Practice
P158663	Social Safety Net System Improvement	FY17	TA/IAR	Social Protection & Labor
P159197	Kazakhstan Competition Policy Support	FY17	TA/IAR	Other
P159783	Analytical Support for Digital KZ	FY17	TA/IAR	Transport

Source: WB Business Intelligence 02/11/2019



Annex Table 4: Kazakhstan, Grants and Trust Funds Active in FY12-17 (\$, millions)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P152230	Kazakhstan: Southeast Europe and Central Asia Catastrophe Risk Insurance Facility	TF A1934	2016	2020	5.0
P127966	Kazakhstan - Youth Corps program	TF 14174	2015	2021	21.8
P130013	Kazakhstan Energy Efficiency Project	TF 14185	2014	2019	21.8
		TF 54598	2006	2008	0.6
P151527	Capacity Building for Public Sector Accounting Reform	TF 17724	2015	2016	0.2
P144880	Enhancing Demand-Side Governance of the Road Administration	TF 14526	2014	2017	0.3
P114830	Hazardous and POPs Waste Management Project	TF 98891	2011	2018	0.2
P127083	Capacity Building for Public Sector Accounting Reform	TF 99938	2012	2013	0.2
P116606	IDF for Building Capacity in the Procurement Audit Agency	TF 94539	2011	2014	0.5
P116536	Public Sector Audit Capacity Building IDF	TF 94540	2010	2013	0.5
P114732	Enhancement of M&E System in the Roads Administration	TF 93848	2010	2013	0.4
P087485	FOREST PROTECTION & REFORESTATION	TF 55731	2007	2014	5.0
Total					56.3

Source: Client Connection as of 02/11/2019

** IEG Validates RETF that are 5M and above

Annex Table 5: IEG Project Ratings for Kazakhstan, FY12-17 (\$, millions)

Exit FY	Proj ID	Project name	Total Evaluated	IEG Outcome	IEG Risk to DO
2012	P049721	AGRIC COMPETITIVENESS	14.61	MODERATELY UNSATISFACTORY	SIGNIFICANT
2012	P058015	AG POST PRIV ASSIST (APL #2)	6.52	HIGHLY UNSATISFACTORY	SIGNIFICANT
2012	P095155	N-S ELEC TRANSM	98.08	SATISFACTORY	MODERATE
2013	P114766	MOINAK ELECTRICITY TRANS PROJECT	44.73	SATISFACTORY	NEGLIGIBLE TO LOW
2015	P078301	FORESTRY	29.17	MODERATELY SATISFACTORY	SIGNIFICANT
2015	P116919	ALMA TRANSMISSION PROJECT	71.36	SATISFACTORY	MODERATE
2016	P090695	KZ Tech Commercialization	11.35	MODERATELY SATISFACTORY	MODERATE
2016	P096998	CUSTOMS DEVT	7.35	MODERATELY UNSATISFACTORY	LOW
2016	P102177	TVEM	29.08	MODERATELY SATISFACTORY	MODERATE
2017	P078342	UST-KAMENOGORSK ENV REMED	5.45	MODERATELY UNSATISFACTORY	SIGNIFICANT
2017	P101928	HLTH SEC TECH (JERP)	112.55	MODERATELY SATISFACTORY	#
2017	P120985	KAZSTAT	19.95	SATISFACTORY	MODERATE
2017	P154702	Kazakhstan Programmatic DPO	1,000.00	MODERATELY SATISFACTORY	SIGNIFICANT
Total			1,450.20		

Source: AO Key IEG Ratings as of 02/11/2019



Annex Table 6: IEG Project Ratings for Kazakhstan and Comparators, FY12-17

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Kazakhstan	1,450.2	13	98	69	21	50
Europe and Cent	25,896.1	256	92	79	63	57
World	143,223.7	1,627	83	72	55	44

Source: WB AO as of 02/11/2019; *IEG Calculation

Note:

Annex Table 7: Portfolio Status for Kazakhstan and Comparators, FY13-17

Fiscal year	2011	2012	2013	2014	2015	2016	2017	Ave FY11-17
Kazakhstan								
# Proj	15	14	13	16	18	18	13	15
# Proj At Risk	3	3	3	3	5	7	3	4
% Proj At Risk	20%	21%	23%	19%	28%	39%	23%	25%
Net Comm Amt (\$M)	2,666	3,594	3,649	3,679	3,813	5,838	3,772	3,859
Comm At Risk (\$M)	67	73	160	205	174	383	179	177
% Commit at Risk	2.5	2.0	4.4	5.6	4.6	6.6	4.7	4.3
ECA								
# Proj	290	256	246	280	290	279	292	276.1428571
# Proj At Risk	40	47	47	37	36	47	37	42
% Proj At Risk	14%	18%	19%	13%	12%	17%	13%	15%
Net Comm Amt (\$M)	22,650	23,092	24,700	26,928	26,544	27,637	25,808	25,337
Comm At Risk (\$M)	2,117	2,668	3,844	2,635	3,534	4,350	5,466	3,516
% Commit at Risk	9.3	11.6	15.6	9.8	13.3	15.7	21.2	13.8
World								
# Proj	2,059	2,029	1,964	2,048	2,022	1,975	2,071	2,024
# Proj At Risk	382	387	414	412	444	422	449	416
% Proj At Risk	19%	19%	21%	20%	22%	21%	22%	21%
Net Comm Amt (\$M)	171,755	173,706	176,203	192,610	201,045	220,332	224,420	194,296
Comm At Risk (\$M)	23,850	24,465	40,806	40,934	45,988	44,245	52,549	38,977
% Commit at Risk	13.9	14.1	23.2	21.3	22.9	20.1	23.4	19.8

Source: WB BI as of 02/11/2019

Agreement type: IBRD/IDA Only



Annex Table 8: Disbursement Ratio for Kazakhstan, FY12-17

Fiscal Year	2012	2013	2014	2015	2016	2017	Overall Result
Kazakhstan							
Disbursement Ratio	22.90	16.30	22.43	20.13	12.20	13.85	18.32
Inv Disb in FY (\$M)	485.59	437.16	525.84	372.55	206.44	215.54	2,243.13
Inv Tot Undisb Begin FY (\$M)	2,120.11	2,682.39	2,344.85	1,851.01	1,692.16	1,556.34	12,246.86
ECA							
Disbursement Ratio	25.92	24.15	22.79	23.49	17.47	20.75	22.38
Inv Disb in FY (\$M)	3,499.19	2,926.55	2,613.61	2,664.88	2,276.29	2,858.67	16,839.20
Inv Tot Undisb Begin FY (\$M)	13,499.78	12,117.00	11,469.99	11,342.98	13,032.33	13,778.81	75,240.89
World							
Disbursement Ratio	20.79	20.60	20.79	21.78	19.48	20.46	20.63
Inv Disb in FY (\$M)	21,049.00	20,511.44	20,759.31	21,854.10	21,153.61	22,127.96	127,455.42
Inv Tot Undisb Begin FY (\$M)	101,238.32	99,591.56	99,856.86	100,345.77	108,603.70	108,150.65	617,786.87

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.

Source: AO disbursement ratio table as of 2/11/2019

Annex Table 9: Net Disbursement and Charges for Kazakhstan, FY12-17 (\$, millions)

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
FY13	437.1	50.0	387.1	21.9	0.1	365.2
FY14	525.8	153.2	372.7	17.4	2.7	352.6
FY15	372.5	200.4	172.1	17.5	0.4	154.2
FY16	1,206.3	211.1	995.2	25.0	3.3	966.9
Report Total	2,541.8	614.6	1,927.1	81.8	6.5	1,838.8

Source: World Bank Client Connection 02/11/2019



Annex Table 10: Total Net Disbursements of Official Development Assistance and Official Aid for Kazakhstan (\$, millions)

Development Partners	2012	2013	2014	2015	2016	2017
All Donors, Total	131.86	90.76	92.8	82.5	63.58	59.14
DAC Countries, Total	35.72	10.69	18.98	8.46	3.97	7.6
Australia	..	0.14	..	..	..	..
Austria	0.79	0.89	1.23	1.76	2.05	2.6
Belgium	..	0.01	..	0.01	0	..
Canada	0.06	0.08	0.1	0.1	0.11	0.16
Czech Republic	0.34	0.3	0.04	0.04	0.11	0.03
Finland	0.36	0.18	0.08	0.05	0.01	..
France	3.28	4.08	4.82	5.24	4.18	4.29
Germany	13.98	-25.32	12.87	12.38	13.86	16.68
Greece	0.15	0.05	0.05	0.05	0	0
Hungary	0.03	0.29	0.16	0.4	0.61	0.63
Ireland	0.04	..	..	..	..	..
Italy	..	0.04	0.15	0.06	0.06	0.04
Japan	-15.93	-6.32	-36.75	-33.23	-35.88	-38.98
Korea	0.35	-0.21	0.12	-7.15	2.71	1.88
Luxembourg	..	..	..	..	0.03	0.04
Netherlands	0.44	0.54	0.59	0.44	0.5	0.46
Norway	2.37	1.86	0.62	0.09	..	0.02
Poland	1.62	1.42	1.22	1.08	0.85	1.71
Portugal	..	..	..	0.01	..	0.01
Slovak Republic	0.04	0.09	0.02	0.01	..	0.01
Slovenia	..	..	..	0	0	0.11
Spain	..	0.02	0.01	0.01	-3.65	-3.65
Sweden	0.05	0.04	0.07	0.02	0.08	0.13
Switzerland	0.22	0.27	0.18	0.12	0.09	..
United Kingdom	5.22	2.8	2.93	8.29	4.7	1.53
United States	22.31	29.46	30.47	18.67	13.53	19.92
Multilaterals, Total	43.89	40	32.86	49.67	29.31	31.24
EU Institutions	11.96	14.21	12.21	14.24	10.36	12.07
Regional Development Banks, Total	0.36	-1.14	-1.26	-0.9	1.39	-1.62
Asian Development Bank, Total	-0.21	0.29	-0.06	0.61	1.8	0.98
Asian Development Bank [AsDB]	-0.21	0.29	-0.06	0.61	1.8	0.98
Islamic Development Bank [IsDB]	0.57	-1.43	-1.2	-1.51	-0.41	-2.6
United Nations, Total	3.28	5.38	3.72	4.29	4.12	5.42
Food and Agriculture Organisation [FAO]	..	0.11	..	..	..	..
International Atomic Energy Agency [IAEA]	0.54	0.62	0.52	0.32	0.34	0.36



Development Partners	2012	2013	2014	2015	2016	2017
International Labour Organisation [ILO]	0.21	0.16	0.09	0.08	0.11	0.07
UNAIDS	0.69	0.63	0.59	0.72	0.79	0.65
UNDP	0.51	0.41	0.39	0.37	0.28	0.15
UNECE	..	..	0.01	0	0.05	0.61
UNFPA	0.58	0.65	0.62	0.6	0.41	0.49
UNHCR	..	1.67	..	0.22	0.49	1.39
UNICEF	0.76	1.12	1.12	1.41	0.87	1.27
World Health Organisation [WHO]	..	..	0.38	0.57	0.78	0.42
Other Multilateral, Total	28.29	21.54	18.18	32.04	13.44	15.38
Climate Investment Funds [CIF]	..	..	0.41	15.29	..	..
Global Environment Facility [GEF]	8.45	9.15	10.17	9.04	6.47	5.73
Global Fund	17.44	9.65	5.22	5.55	4.49	7.46
Global Green Growth Institute [GGGI]	..	0.38	0.11	..	..	..
OPEC Fund for International Development [OFID]	..	..	..	..	0.33	..
OSCE	2.4	2.36	2.27	2.17	2.15	2.18
Non-DAC Countries, Total	52.24	40.07	40.96	24.37	30.3	20.3
Estonia	..	..	..	0	0.01	..
Israel	0.39	0.49	0.38	0.38	0.95	..
Kuwait	-0.81	-0.8	-0.8	-0.75	-0.75	-0.66
Latvia	..	0.01	0.03	0.03	0.01	0.02
Lithuania	0.03	0.01	0.01	0.02	0.01	0.03
Romania	0.09	0.01	0.01	0.02	0.04	0.04
Russia	1.07	0.08	0.55	0.57	0.32	0.48
Thailand	..	..	..	0	..	0.01
Turkey	50.17	39.3	40.54	24.44	18.96	20.38
United Arab Emirates	1.3	0.97	0.23	-0.35	7.35	0.01

Source: OECD Stat. DAC2a as of 02/11/2019

* Most Data only available up to FY17

Annex Table 11: Economic and Social Indicators for Kazakhstan, 2012-2017

Series Name							Kazakhstan	ECA	World
	2012	2013	2014	2015	2016	2017	Average 2012-2017		
Growth and Inflation									
GDP growth (annual %)	4.8	6.0	4.2	1.2	1.1	4.1	3.6	2.7	2.7
GDP per capita growth (annual %)	3.3	4.5	2.7	(0.3)	(0.3)	2.7	2.1	2.2	1.5
GNI per capita, PPP (current international \$)	19,370.0	21,250.0	22,310.0	23,550.0	22,900.0	23,530.0	22,151.7	19,387.7	15,462.1
GNI per capita, Atlas method (current \$)	9,940.0	11,840.0	12,090.0	11,420.0	8,800.0	7,960.0	10,343.3	9,283.8	10,591.2
Inflation, consumer prices (annual %)	5.2	5.9	6.8	6.7	14.4	7.4	7.7	2.6	2.3
Composition of GDP (%)									
Agriculture, value added (% of GDP)	4.3	4.5	4.3	4.7	4.6	4.4	4.5	5.0	3.6
Industry, value added (% of GDP)	36.3	33.7	33.2	30.9	32.0	32.2	33.0	29.0	26.4
Services, value added (% of GDP)	51.4	53.2	54.8	59.3	57.9	57.4	55.7	54.4	64.1
Gross fixed capital formation (% of GDP)	22.8	21.9	21.6	22.9	22.7	21.9	22.3	22.8	23.4
External Accounts									
Exports of goods and services (% of GDP)	44.1	38.6	39.3	28.5	31.8	34.4	36.1	33.2	31.0
Imports of goods and services (% of GDP)	29.6	26.8	25.6	24.5	28.5	26.3	26.9	31.8	30.1
Current account balance (% of GDP)	0.5	0.5	2.8	(2.8)	(6.5)	(3.3)	-1.5		--
External debt stocks (% of GNI)	75.3	70.8	79.3	88.5	131.7	118.4	94.0		--
Total debt service (% of GNI)	12.9	14.6	15.7	20.2	16.3	19.3	16.5	7.3	--
Total reserves in months of imports	3.7	3.3	4.3	5.7	6.5	5.8	4.9	8.5	13.2

Series Name							Kazakhstan	ECA	World
	2012	2013	2014	2015	2016	2017	Average 2012-2017		
Fiscal Accounts ¹									
General government revenue (% of GDP)	26.3	24.8	23.7	16.6	16.1	18.8	21.1		
General government total expenditure (% of GDP)	21.9	19.8	21.3	22.9	21.5	25.2	22.1		
General government net lending/borrowing (% of GDP)	4.4	4.9	2.5	(6.3)	(5.3)	(6.4)	-1.0		
General government gross debt (% of GDP)	12.1	12.6	14.5	21.9	19.7	20.8	16.9		
Health									
Life expectancy at birth, total (years)	69.6	70.5	71.6	72.0	72.3	..	71.2	72.7	71.7
Immunization, DPT (% of children ages 12-23 months)	99.0	98.0	95.0	98.0	82.0	99.0	95.2	92.8	84.8
People using safely managed sanitation services (% of pop)	..	..	..	..	..	..			38.1
People using at least basic drinking water services (% of pop)	90.3	90.7	90.9	91.1	..	..	90.8	95.8	87.8
Mortality rate, infant (per 1,000 live births)	14.6	13.1	11.8	10.7	9.7	8.9	11.5	12.6	31.8
Education									
School enrollment, preprimary (% gross)	109.4	110.9	111.5	110.7	109.0	107.9	109.9	100.7	103.8
School enrollment, primary (% gross)	53.5	57.1	57.1	60.0	59.0	54.1	56.8	58.5	47.0
School enrollment, secondary (% gross)	101.3	102.0	105.8	109.4	112.4	113.1	107.3	97.6	75.9
School enrollment, tertiary (% gross)	51.0	49.8	48.2	45.8	46.1	49.6	48.4	64.5	35.5
pop									
population, total	16,792,089.0	17,035,550.0	17,288,285.0	17,542,806.0	17,794,055.0	18,037,646.0	17,415,071.8	451,741,201.7	7,314,682,491.8

Series Name							Kazakhstan	ECA	World
	2012	2013	2014	2015	2016	2017	Average 2012-2017		
population growth (annual %)	1.4	1.4	1.5	1.5	1.4	1.4	1.4	0.5	1.2
Urban population (% of total)	57.0	57.0	57.1	57.2	57.3	57.3	57.2	65.7	53.7
Rural population (% of total pop)	43.0	43.0	42.9	42.8	42.7	42.7	42.8	34.3	46.3
Poverty									
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of pop)	-	-	-	-	..	..	0.0	..	..
Poverty headcount ratio at national poverty lines (% of pop)	3.8	2.9	2.8	2.7	2.5	2.5	2.9	..	..
Rural poverty headcount ratio at national poverty lines (% of rural pop)	6.1	4.9	4.7	4.4	..	..	5.0	..	..
Urban poverty headcount ratio at national poverty lines (% of urban pop)	1.9	1.3	1.3	1.3	..	..	1.5	..	..
GINI index (World Bank estimate)	28.1	27.1	27.0	26.9	..	..	27.3		

Source: WB World Development Indicators DataBank 2/11/19

*International Monetary Fund, World Economic Outlook Database, February 2019



Annex Table 12: List of IFC Investments in Kazakhstan (\$, millions)

Investments Committed in FY12-17

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
35747	2017	Active	Finance & Insurance	44.0	44.0	-	44.0
37442	2016	Closed	Finance & Insurance	2.5	0.1	-	0.1
34328	2015	Closed	Finance & Insurance	5.0	5.0	-	5.0
35294	2015	Closed	Finance & Insurance	0.8	0.1	-	0.1
35533	2015	Closed	Finance & Insurance	1.0	0.3	-	0.3
35534	2015	Active	Food & Beverages	30.0	30.0	-	30.0
35691	2015	Active	Food & Beverages	20.5	20.5	-	20.5
33323	2014	Closed	Finance & Insurance	0.2	0.2	-	0.2
30975	2013	Active	Transportation and Warehousing	164.9	50.0	19.8	49.8
31830	2013	Closed	Finance & Insurance	70.0	70.0	-	70.0
32892	2013	Closed	Finance & Insurance	0.0	-	-	-
32923	2013	Closed	Finance & Insurance	0.0	0.0	-	0.0
32924	2013	Closed	Finance & Insurance	0.0	0.0	-	0.0
33105	2013	Closed	Finance & Insurance	0.1	0.1	-	0.1
31760	2012	Active	Nonmetallic Mineral Product Manufacturing	5.0	5.0	5.0	5.0
31868	2012	Closed	Finance & Insurance	3.0	3.0	-	3.0
31948	2012	Active	Finance & Insurance	30.0	21.9	-	21.9
Sub-Total				377.0	250.1	24.8	249.9

Investments Committed pre-FY12 but active during FY12-17

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
30719	2011	Active	Nonmetallic Mineral Product Manufacturing	185.0	185.0	86.1	171.1
28071	2010	Active	Finance & Insurance	245.0	65.0	14.3	64.3
26891	2009	Active	Nonmetallic Mineral Product Manufacturing	-	-	-	-
Sub-Total				430.0	250.0	100.5	235.5
TOTAL				807.0	500.1	125.2	485.4

Source: IFC-MIS Extract as of 10/30/18



Annex Table 13: List of IFC Advisory Services in Kazakhstan (\$, millions)

Advisory Services Approved in FY12-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds Managed by IFC
601569	IFC and EBRD Strategic Partnership	2018	2019	ACTIVE	CAS	2.31
601944	Kazakhstan Energy Efficiency Standards and Labeling	2018	2019	TERMINATED	EFI	0.71
600642	Almaty University Hospital	2015	2016	TERMINATED	CAS	0.39
596947	KZ_MFTP	2014	2018	ACTIVE	FIG	0.17
599448	Kazakhstan cold storage	2014	2015	TERMINATED	PPP	0.56
599545	Central Asia and Caucasus Energy Infrastructure Program	2014	2018	ACTIVE	INR	4.15
593827	Almaty ring road	2013	2018	CLOSED	CAS	4.21
Sub-Total						12.50

Advisory Services Approved pre-FY12 but active during FY12-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds Managed by IFC
28028	Almaty Parking	2010	2012	TERMINATED	PPP	-
TOTAL						12.5

Source: IFC AS Portal Data as of 11/30/18

Annex Table 14: IFC net commitment activity in Kazakhstan, FY12 - FY17 (\$, millions)

	2012	2013	2014	2015	2016	2017	Total
Long-term Investment Commitment							
Financial Markets	3.0	70.1	0.2	6.8	2.5	40.2	122.8
Agribusiness & Forestry	(0.1)	(0.9)	(13.4)	50.1	(0.0)	0.4	36.1
Manufacturing	5.0	-	-	-	(0.0)	-	4.9
Infrastructure	-	50.0	-	(0.2)	-	-	49.8
Total IFC Long Term Investment Commitment	7.9	119.2	(13.2)	56.6	2.4	40.6	213.6
Total Short-term Finance/Trade Finance / Average Outstanding Balance (GTFP)	30.7	13.0	-	0.0	(0.0)	-	43.7

Source: IFC MIS as of 12/18/18

Note: IFC began reporting average outstanding short-term commitments (not total commitments) in FY15 and no longer aggregates short-term commitments with long-term commitments. IEG uses net commitment number for IFC's long-term investment. For trade finance guarantees under GTFP, average commitment numbers have been used.

Annex Table 15: List of MIGA Projects Active in Kazakhstan, FY12-17 (\$, millions)

Contract Enterprise	Project Status	Sector	Max Gross Issuance
NO Active MIGA Projects			
Total			-

Source: MIGA 2/7/19 w/ Project Briefs