**Post-Covid economic situation in Kazakhstan.**

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Kazakhstan, the largest landlocked country in the world, is a significant player in the global economy due to its vast natural resources and strategic location between Europe and Asia. The country's economy has been on a steady growth trajectory since gaining independence from the Soviet Union in 1991. However, like many other countries, Kazakhstan's economy has been affected by the COVID-19 pandemic, and the government has had to take measures to stabilize the financial system.

*Overview of Kazakhstan's Economy*

Kazakhstan is the ninth-largest country in the world by land area, with a population of over 19 million people. The country is rich in natural resources, including oil, gas, coal, uranium, and various minerals. Kazakhstan is the world's largest producer of uranium, and it has significant oil and gas reserves. The country's economy is heavily reliant on the extractive industries, which account for over 70% of its exports and a significant share of its GDP.

Kazakhstan's GDP was estimated at $180 billion in 2020, making it the largest economy in Central Asia. The country's economy has been growing at an average rate of 4-5% over the past decade, driven by high commodity prices and government investment in infrastructure and social programs. However, the COVID-19 pandemic and the resulting decline in commodity prices have affected Kazakhstan's economy, leading to a contraction of 2.6% in 2020.

*Financial System in Kazakhstan*

The National Bank of Kazakhstan is the country's central bank, responsible for implementing monetary policy and regulating the financial system. The banking sector in Kazakhstan is dominated by a few large banks, with the top five banks accounting for over 80% of the sector's assets. The country's banking sector is relatively concentrated, which can lead to risks if the largest banks are not well-capitalized or if there are significant non-performing loans.

In recent years, the Kazakhstani government has taken steps to strengthen the country's financial system and increase financial inclusion. In 2019, the government launched a digital financial services platform, aimed at providing access to financial services for underbanked populations. The platform allows users to make payments, transfer funds, and access credit through their mobile phones. The government has also taken steps to improve financial regulation and reduce risks in the banking sector.

*Impact of COVID-19 on Kazakhstan's Economy*

Like many other countries, Kazakhstan's economy has been affected by the COVID-19 pandemic. The pandemic led to a decline in commodity prices, which affected the country's extractive industries. The government implemented a number of measures to support businesses and households, including tax breaks, loan guarantees, and cash transfers. In addition, the National Bank of Kazakhstan reduced interest rates and provided liquidity to the banking sector to support lending.

The government also introduced measures to control the spread of the virus, including lockdowns and travel restrictions. These measures had a significant impact on the country's service sector, including tourism and hospitality. The pandemic has also highlighted the need for Kazakhstan to diversify its economy and reduce its reliance on extractive industries.

*Outlook for Kazakhstan's Economy*

The outlook for Kazakhstan's economy is positive, with the country expected to return to growth in 2021. The government has announced a number of measures aimed at stimulating the economy, including investments in infrastructure, education, and healthcare. The country's extractive industries are also expected to recover as commodity prices improve.

However, Kazakhstan faces a number of challenges in the medium to long term. The country's economy is heavily reliant on extractive industries, which are subject to volatility in commodity prices and geopolitical risks. In addition, the country's population is aging, and there are concerns about the sustainability of the pension system. To address these challenges, the government has announced plans to diversify the economy, increase investment in non-extractive industries, and improve social programs.

One area of potential growth for Kazakhstan is renewable energy. The country has significant potential for wind and solar power, and the government has set a target of generating 50% of its electricity from renewable sources by 2050. The development of renewable energy could also help reduce the country's carbon emissions and improve its environmental sustainability.

In conclusion, Kazakhstan's economy has been on a steady growth trajectory, driven by its natural resources and government investment in infrastructure and social programs. However, the COVID-19 pandemic and the decline in commodity prices have affected the country's economy, leading to a contraction in 2020. The government has implemented measures to support businesses and households and has announced plans to stimulate the economy through investments in infrastructure and non-extractive industries. Despite the challenges, Kazakhstan's economy has significant potential for growth, particularly in renewable energy and other non-extractive industries.

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