The background of the slide is a warm-toned photograph of a desert landscape with sand dunes. In the foreground, a caravan of camels is walking across a wet, reflective surface, likely a salt flat or a shallow pool of water. The camels are carrying loads on their backs. To the right, there is a faint, semi-transparent map overlay showing the 'GREAT SILK ROUTE' and the city of 'NUKUS'.

Kazakhstan as the Largest Eurasian Transport and Logistics Hub

EUCE Conference at UVic - June 9-11

Presenter: Lyailya Nurgaliyeva

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Contents

- Purpose of the research
- About the Silk Road
- Kazakhstan and the Eurasian transcontinental corridor
- Advantages and disadvantages for Kazakhstan in the construction of the Silk Road

Purpose of the research

- The majority of prior research on Kazakhstan–China relations focuses on different areas of cooperation, but fails to consider Kazakhstan's potential as one of the largest transport and logistics centers, as well as the possible advantages for Kazakhstan in participating in the New Silk Road.
- The purpose of this study is to examine the importance of Kazakhstan's potential to establish itself as a transit hub within the New Silk Road. This road is the shortest way to connect Central Asian countries with Europe, as well as South–East Asian countries to Europe and can reduce the delivery time of goods between Europe and China by half, when compared to maritime transport.
- Research Questions:
 - What place does Kazakhstan take in the Silk Road project?
 - What are the advantages and disadvantages for Kazakhstan in this project?

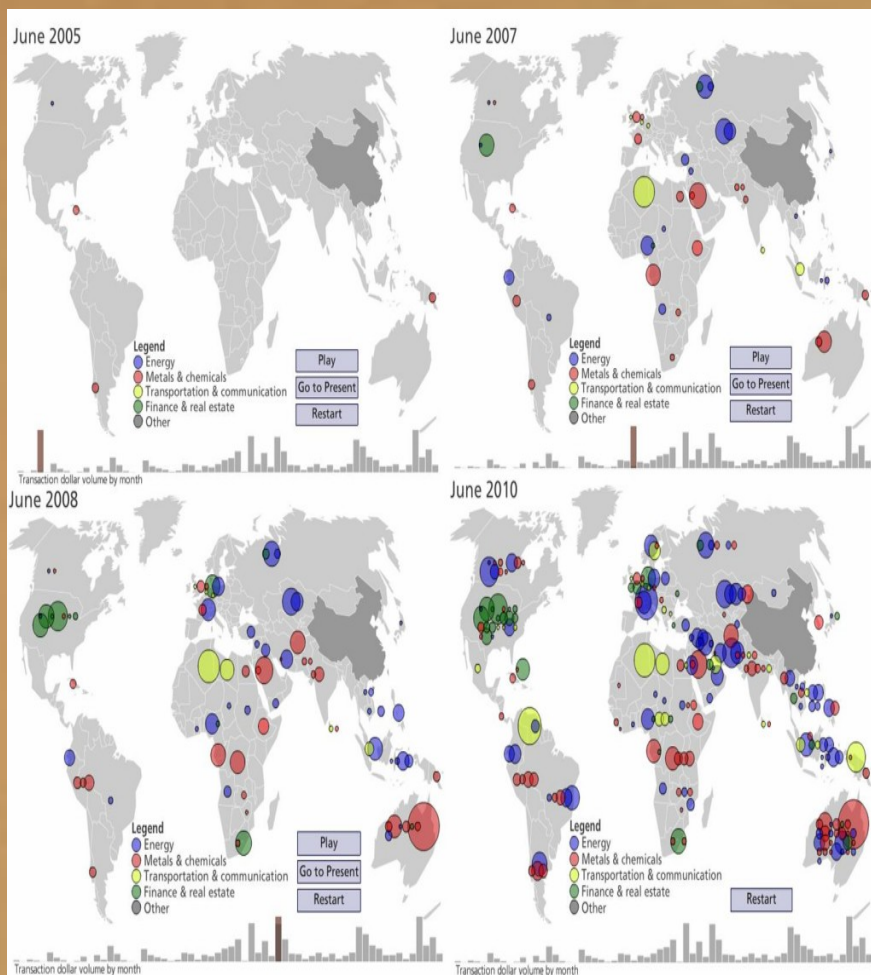
About the Silk Road: A land and maritime routes



Source: Eurasia and the New Silk Road. *Deep Resource*, October 16, 2014. <https://deepresource.wordpress.com/2014/10/16/eurasia-and-the-new-silk-road/>

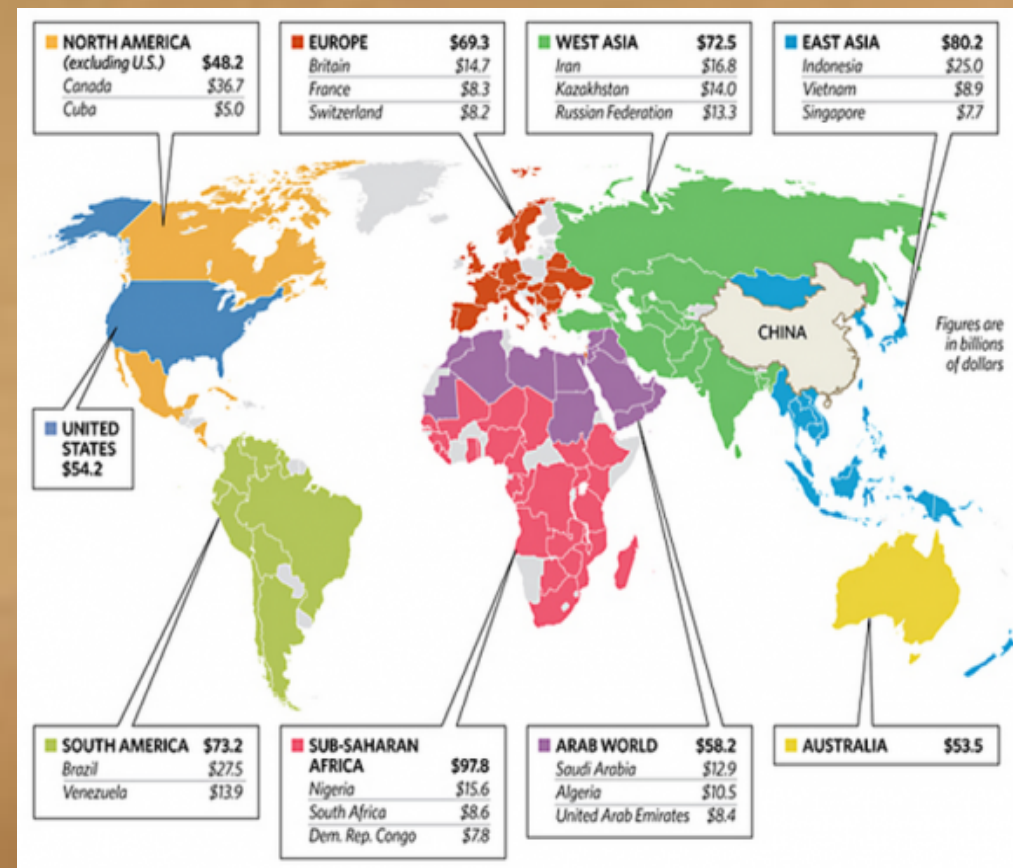
Dynamics of Chinese Investments in the world

Picture-1. Dynamics of Chinese investments up to 2010.



Source: Noviy Shelkoviy Put' Kitaya. October 23, 2014. <http://voprosik.net/novyj-shelkovyj-put-kitaya/>.

Picture-2. Chinese investments in the world, 2012.



Source: Noviy Shelkoviy Put' Kitaya. October 23, 2014. <http://voprosik.net/novyj-shelkovyj-put-kitaya/>.

Kazakhstan and the Eurasian transcontinental corridor



Source: Maps of Kazlogistics. <http://www.kazlogistics.kz/en/useful/maps/>

Asian Infrastructure Investment Bank

- The main purpose of AIIB is to promote economic development, create wealth, and improve the interaction of infrastructure in Asia.

The benefits for Kazakhstan from AIIB:

- the possibility of obtaining bank loans on favorable terms (interstate loans are always more expensive and harder) and
- implementation of projects of interest to Kazakhstan.

Advantages and disadvantages for Kazakhstan in the construction of the Silk Road

Advantages:

- The increase of the trade turnover between Kazakhstan and China.
- By 2020, the road is expected to increase the gross domestic product (GDP) of Kazakhstan by 68% compared to 2010.
- Kazakhstan can use Chinese interest in Silk Road in order to develop its transportation and logistics infrastructure.
- The money for transit and new jobs.

Disadvantages:

- Along with the flow of goods also bring in waves of people, and migration, particularly from China.
- China will be able to increase its economic strength and receive advanced technology from all over the world. Kazakhstan, as a transit country, will not have access to these new technologies. Thus, Kazakhstan could be left behind in the wake of the giant economic growth of China.

Conclusion

- The vast natural resources and geographical position of Kazakhstan makes it a key country in the implementation of the Chinese Silk Road. For energy exporting countries like Kazakhstan, investments into infrastructure are important for security and economic growth stabilization. In order to implement the new economic policy on infrastructure development called 'Nurly Zhol – Path to the Future', Kazakhstan joined the China-led Asian Infrastructure Investment Bank.
- China, the largest trade partner of Kazakhstan relies on the support of Kazakhstan in the implementation of the Silk Road project because the transportation of goods to Europe through Kazakhstan's territory is the shortest and cheapest route.
- These interests are mutually beneficial for Kazakhstan and China.

Thank

You