

Astana 20 Years On

Kazakhstan's modern capital is turning 20 years old. The launch of Astana International Finance Center demonstrates how far the young city has come.

By Erzhan Kazykhanov

20 years ago, few people in the United States would have been familiar with Astana. How could they be? The small, young city had just been named the capital of Kazakhstan, a newly independent country in Central Asia.

But in just two short decades, Astana has made a dramatic transformation. It has gone from being a relatively unknown capital to the current financial powerhouse of Central Asia. There is a common belief that economic gravity is shifting towards Asia, and as global dynamics shift, the launch of the Astana International Finance Center (AIFC) on July 5 – coinciding with Astana's 20th anniversary on July 6 – is critical for the rapidly developing financial environment of the 21st century. With the United States striving to play a prominent role in the Asian financial system, Astana can serve as its bridge between Asia and Europe, the Middle East and the West.

Kazakhstan is devoting more than \$60 million per year to develop the center through 2020, while we are aiming to attract up to \$40 billion in investments by 2025. The financial free zone is the first major financial hub in Central Asia and throughout the entire Eurasian region, and because the United States is a strategic partner of Kazakhstan, American companies can play a key role in developing the center. NASDAQ technology, for instance, is powering the financial hub and has signed agreements to assist in the establishment of the Astana International Exchange (AIX).

Like all businesses, American investors want to invest efficiently and in a country that is both stable and safe. In the past, it has been London, or Istanbul, or Dubai. But in its short history, Astana has proven itself – through hosting international events and being dubbed the “City of Peace” by UNESCO – to be a trusted location for connecting financial regions and promoting business development and investment.

Kazakh President Nursultan Nazarbayev has ambitious plans for Astana as we work to develop our capital into a global financial hub. And our economic ties with the US play an integral role in these plans. Earlier this year, President Nazarbayev was in Washington to meet with President Donald Trump and American business leaders to discuss the enhanced strategic partnership between the United States and Kazakhstan. We are also working to have Kazakhstan granted the status of permanent normal trade relation (PNTR), increasing free trade between our two nations and more importantly creating jobs in both countries. PNTR would be a significant step as we work towards creating integrated economies and aid the US in its dealings with other economic zones, such as in China and Russia.

While we are striving to turn AIFC into an integral center for the world economy, Astana has also become an essential avenue for tackling problems and defusing tensions. It is now a