The National Oil Fund of Kazakhstan (NOF) was created by Presidential Decree in 2002. Funded by direct taxes and royalties from natural resource producers, it was intended to be a stabilization fund and a savings fund invested outside the Kazakh economy. Withdrawals from the fund are “guaranteed” transfers to the government budget and “targeted” transfers for stabilization. In 2015 the NOF assets reached 30% of GDP. Parallel to the NOF is Samruk Kazyna, which manages assets that account for over 50% of GDP and is responsible for the management of state owned enterprises and implementation of the government’s economic development plans. Recent discussion of expanding the use of the NOF to support economic development and privatization efforts goes beyond its original intent and may threaten the long term viability of the fund. This presentation provides background on Sovereign Wealth Funds in general, the NOF in particular and its evolving relationship with Samruk Kazyna, and its possible involvement in the privatization of large SOEs via the mass-targeted stocks placement (the so-called “People’s Initial Public Offering program”).

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Thursday, April 28, 2016, 4:30pm - 6:00pm
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