

# Kazakhstan: Building the Tourism Infrastructure

On the world's tourism map Kazakhstan, despite its large size, is only a small spot as an incoming tourism destination. The majority of the country's tourism sights and destinations suffer from little awareness, lack of infrastructure, limited accommodation availability, inconsistent service quality and pricing. However, with the country's rapidly growing economic power this is starting to change as the tourism is benefiting from large government and private investments.



In 2010 Kazakhstan was visited by more than 6 million arrivals, which was a 6% increase compared to 2009. The neighboring countries – Russia, Uzbekistan and Kyrgyzstan – were the leading source of tourists accounting for more than 80% of all arrivals. The majority of trips by arrivals from these countries were not for traditional tourism purposes though, but for seeing relatives or friends, to seek employment, and for business purposes.

Excluding CIS countries\*, China, Germany and Turkey were the leading arrival source countries in 2010. Currently, the majority of tourists from non CIS countries visit Kazakhstan for business purposes, as the country is a large oil, gas and natural mineral supplier. Business tourists create and maintain strong demand for high quality hotels, which resulted in the development of a significant number of 4- and 5- star hotels in the country over the last five years period.



Despite the entrance of large hotel chains to the country, there still remains a shortage of more affordable but quality accommodation such as 3-star hotels. The void created by the lack of inexpensive and quality hotels in the country is being filled by rental apartments, that are especially popular among visitors from CIS countries.

The most popular leisure tourism destinations for visitors are Alakol, Borovoe, Kulsaj and Issyk lakes, Charyn canyon, the mountainous landscape of Zailiysky Ala Tau, areas located on the Kazakhstan

portion of the Silk Road such as the ancient cities of Taraz and Turkestan with Ahmed Yasavi's mausoleum, and the world's first spaceport at Baikonur. However, the leisure tourism in Kazakhstan is still largely underdeveloped and retains significant future growth potential.

The government tries to boost tourism in a variety of ways, such as through passing favorable legislation for private investments in tourism industry, investing in the development of tourism infrastructure and hosting large international events. Until 2014, Kazakhstan committed to develop tourism infrastructure, which includes new roads, railways, construction of new and renovation of old accommodation outlets, near the main recreational zones, World Heritage Sites, as well as other cultural, historical and business centers.



In February 2011, Kazakhstan hosted a huge international sport event – Winter Asian Games. The event not only attracted a number of international tourists, but also gave a strong boost to the country's still small tourist industry through increased international awareness of Kazakhstan as a tourism destination, especially in Asian countries. The Winter Asian Games also boosted the tourism sector through large – more than US\$ 1 billion – investments in infrastructure in areas of accommodation, public transport systems, airports and improved service levels.

Kazakhstan's accessibility for international visitors is constantly improving as well, as more international air carriers include Kazakhstan cities in their destination maps. The local airways route map is rapidly expanding and new land border crossings with neighboring countries are planned to be opened.

The consistent investments in the development of all areas of tourism sector indicate that in long term Kazakhstan will be attracting increasing numbers of international visitors. Over the next five years, the number of incoming visitors in Kazakhstan is expected to grow by annual rate of 6%, while incoming tourism receipts are expected to see 9% annual growth.

\* CIS countries – Russia, Ukraine, Kazakhstan, Belarus, Azerbaijan, Uzbekistan, Turkmenistan, Georgia, Armenia, Tajikistan, Kyrgyzstan, Moldova

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