Kazakhstan | Impacts of Climate Change and Adaptation in Agriculture

Find the underlying analysis in the sectoral policy brief "Kazakhstan: Economy-wide Effects of Adaptation in Agriculture" and in the report "Supporting climate resilient economic development in Kazakhstan"

Annual changes in % are between a climate change scenario without adaptation (SCC) and a climate change scenario with adaptation (SCCA).

Kazakhstan's agriculture is vulnerable to climate change





Lower pasture productivity and in the second second

Wheat yield losses induced by water scarcity can be a consequence of droughts and heatwaves.



The **productivity of people working outside** as e.g. in the agriculture sector may decrease during **heatwaves**.



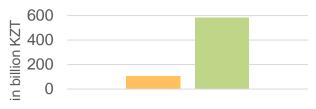
Negative impacts on agriculture can lead to lower growth in other sectors, GDP and employment.

Exemplary adaptation measure for reducing vulnerability to droughts: Irrigation Systems



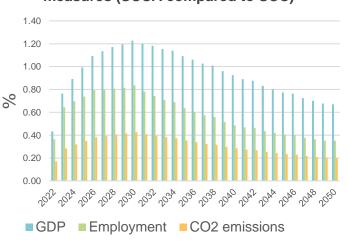
Rehabilitating and expanding the water infrastructure and the use of water-efficient drip **irrigation systems** are key responses to reduce water scarcity and to improve agricultural productivity. The irrigated area could be increased by one million hectares without a significant increase in water consumption (Kazakh Government, 2020).

Costs and benefits of investments in drip irrigation & reconstruction of canals and reservoirs



- Average annual investments (2022-2050)
- Average annual adaptation benefit (2022-2050)

Economy-wide impacts of investments in irrigation systems



Economy-wide impacts of irrigations measures (SCCA compared to SCC)

References

Kazakh Government (2020): Eighty-eight thousand jobs to be created during modernization of irrigation infrastructure in Kazakhstan. URL: <u>Eighty-eight thousand jobs</u> to be created during modernization of irrigation infrastructure in Kazakhstan - Official Information Source of the Prime Minister of the Republic of Kazakhstan

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Federal Ministry for the Environment, Nature Conservation and Nuclear Safety Macroeconomic modelling allows for **long-term assessment of economy-wide effects** of adaptation measures.

- → Investments in the agricultural water infrastructure result per year in a maximum 1.2% higher GDP (resp. KZT 833 bn.) and up to 0.8% higher employment corresponding to up to 78,000 additional jobs (SCCA compared to SCC).
- → Investments in irrigation systems increase agricultural output – also in years without droughts occurring. Other sectors along the value chain are indirectly, positively affected e.g., food producers (SCCA compared to SCC). Positive effects can be expected in the construction sector which profits from the rehabilitation and expansion of water canals and reservoirs.
- → A higher growth path without further climate protection measures leads to annual increases of energy demand and energy-related CO₂ emissions of up to 0.4%.

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