

SUSTAINABLE DEVELOPMENT GOALS

The Next Five Years Will Be Decisive



№1

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With less than five years remaining until 2030—the key milestone for achieving the United Nations Sustainable Development Goals (SDGs)—the question is no longer whether businesses should contribute to the SDGs, but whether they can demonstrate their real impact.

Investors, international financial institutions, and regulators increasingly expect companies not only to provide formal ESG disclosures but also to clearly demonstrate how their activities contribute to addressing global sustainable development challenges.

Against this backdrop, the sustainable investment market continues to grow rapidly: estimates suggest it already amounts to approximately USD 35–39 trillion and could exceed USD 180 trillion [\(1\)](#) by 2034.

In response to these challenges, the Kazakhstan Stock Exchange (KASE), in partnership with Sustainability Solutions, is launching a series of publications dedicated to approaches, tools, and best practices for integrating the SDGs into business operations. The initiative aims to enhance the contribution of Kazakhstani companies to national and global sustainable development goals and strengthen their international recognition.

SDG Progress: Advancements Made, but Insufficient

The Sustainable Development Goals were adopted by 193 countries as a universal agenda to ensure a sustainable future by 2030. They address key challenges ranging from poverty and hunger eradication to ecosystem protection, sustainable infrastructure development, and improving quality of life.



Over the past decade, significant progress has been achieved. Millions of people have gained access to electricity, education, and the internet: electrification increased from 84% in 2010 to 92% in 2023 [\(2\)](#), while internet access reached 68% of the global population [\(3\)](#). Maternal and child mortality rates have declined, women's representation in national parliaments has increased, and social protection systems have expanded.

However, the overall pace of progress remains insufficient. According to international organizations, only about one-third of SDG indicators show positive progress, while nearly half are advancing too slowly, and some are stagnating or deteriorating.

A major barrier remains the financing gap, estimated at USD 2.5–4 trillion annually. The most significant lag is observed in areas such as zero hunger (SDG 2), sustainable cities (SDG 11), life below water and on land (SDGs 14 and 15), and peace, justice, and strong institutions (SDG 16).

Key factors hindering progress include geopolitical instability, armed conflicts, climate change, and economic volatility.

Despite long-term declines in poverty, around 10% of the global population still lives in extreme poverty. More than two billion people face food insecurity, while healthcare systems in many countries remain under significant strain. In addition, limited availability of high-quality statistical data complicates monitoring and effective decision-making.

In this context, the international community emphasizes the need to accelerate systemic transformations—from reforming food systems and advancing clean energy to expanding digital infrastructure and improving education quality.

Thus, the current status of SDG implementation is dual in nature: while humanity has demonstrated that sustainable development is achievable, current progress is clearly insufficient to meet the 2030 targets. The next five years are therefore considered critical



SDGs in Kazakhstan: Progress and Structural Challenges

Kazakhstan is consistently integrating the sustainable development agenda into its public policy framework. Since 2022, the SDGs have been incorporated into the National Development Plan through 2029, as well as into the Strategy for Achieving Carbon Neutrality by 2060. In 2023, a parliamentary commission was established to monitor SDG implementation.

Particular attention is being paid to the localization of SDGs at the regional level. In addition to the UN priority goals, Kazakhstan has identified additional national priorities based on public surveys, highlighting the importance of accounting for regional specifics.

As the largest economy in Central Asia, Kazakhstan accounts for approximately 60% of the region's total GDP, while maintaining steady economic growth and remaining open to foreign investment.

At the same time, several structural challenges persist. Infrastructure requires modernization, with a significant share of assets being worn out and substantial losses in water resources [\(4\)](#).

The energy sector remains heavily dependent on fossil fuels, particularly coal, resulting in high greenhouse gas emissions—up to 80% of total emissions are attributed to energy. In response, Kazakhstan is implementing decarbonization policies aimed at developing renewable energy and improving energy efficiency.

Environmental regulation is also being strengthened, including the implementation of the "polluter pays" principle and the development of emissions reduction mechanisms.

A positive trend is the growing engagement of businesses in the ESG agenda. For example, the number of participants in the UN Global Compact [\(5\)](#) increased from 8 to 88 companies over three years. Principles of responsible business conduct—aimed at protecting human rights, complying with environmental standards, and increasing transparency—are being actively implemented.

Thus, Kazakhstan is showing positive momentum in the implementation of the SDGs; however, further progress requires enhanced coordination, the development of incentives for the private sector, and a comprehensive approach to sustainable development.

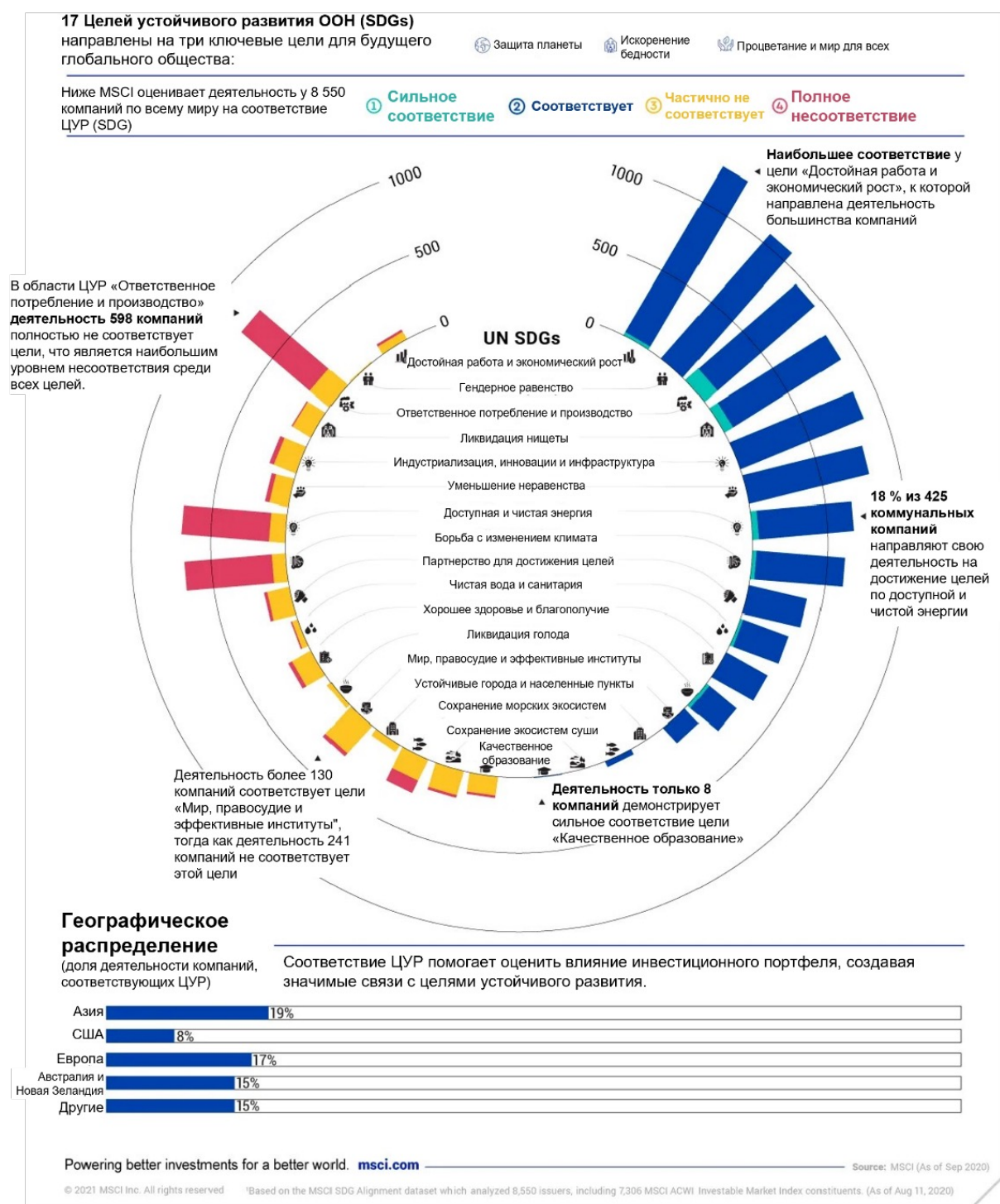


The Role of Business: From Declarations to Real Impact

Against the backdrop of financing gaps and slow progress, expectations regarding the role of the private sector are increasing. Business is becoming a key contributor to achieving the SDGs; however, its contribution remains highly uneven.

According to research by MSCI (6), only about 0.2% of companies globally demonstrate activities fully aligned with the SDGs. Approximately 38% are close to alignment, while more than half of companies partially or fully fail to align with sustainable development goals.

Figure 1. Results of the study "UN Sustainable Development Goals: How Companies Align with Them» (6)





The highest level of alignment is observed in the area of responsible consumption and production (SDG 12), where companies implement energy-efficient technologies, develop sustainable infrastructure, and create green jobs.

At the same time, a significant share of businesses does not demonstrate a positive impact in the areas of climate action (SDG 13) and affordable and clean energy (SDG 7). The most pronounced gap is observed in the energy sector.

These findings indicate that most companies remain at the stage of declarations and formal alignment, without transitioning to managing real impact.

From Commitment to Measurable Impact

In the current environment, the ability of companies to measure and demonstrate their contribution to the SDGs is becoming a key factor of investor trust and competitiveness in capital markets.

The transition from declarations to measurable impact requires the adoption of assessment tools that enable companies to track social and environmental outcomes, integrate them into management systems, and use them in strategic decision-making.

In the next publication, we will explore impact assessment approaches that help companies not only capture but also enhance their contribution to sustainable development.



For Reference:

Kazakhstan Stock Exchange JSC (KASE) is a leading stock exchange in the Central Asian region. KASE ranks second among CIS exchanges in terms of securities trading volume and fifth in terms of equity market capitalization among FEAS exchanges (as of the end of 2024).

It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies, money market transactions – repo and swap, as well as derivative instruments. KASE is a member of the International Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and domestic professional associations, as well as a participant in the UN's Stock Exchanges for Sustainable Development initiative.

Sustainability Solutions has been operating in the management consulting market for over 14 years. Since 2023, the company has been implementing projects on the adoption of ESG tools and practices in Central Asia. Its team members hold international certifications in corporate governance, ESG risk analysis, climate responsibility, and non-financial disclosure standards (GRI, SASB, TCFD, IFRS S1, S2). The company's industry experience spans financial services, banking, industrial sectors, agriculture, construction, and others.

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