



Legal Alert

We are where your business is

Labour and Immigration

The Government Decree dated 11 May 2014 года No. 472 "On approval of the Rules on calculation of the average annual number of employees and annual revenue of the subjects of the private entrepreneurship"

Rules are developed in accordance with subparagraph 23-2) of article 14 (*Competence of the Government of the Republic of Kazakhstan*) of the Law of dated 31 January 2006 "On private entrepreneurship" No. 124-III and determine the order of calculation of average annual number of employees and annual revenue of subjects of private entrepreneurship.

In order to calculate the average annual number of employees and average annual income of private entrepreneurs used the information contained in the database of the Tax Committee of the Ministry of Finance. With an average annual population average annual income is calculated automatically by the Registry of the subjects of the private entrepreneurship.

The decree shall be put into effect upon expiration of ten calendar days after its first official publication.

At the time of publication of this Bulletin the said resolution was put into effect.

Other

The law dated 31 March 2014 года No. 202-V «On permits and notofications»

The law regulates the social relations associated with the introduction of a licensing or notification procedure of implementation by private entrepreneurs and other persons stipulated by law, certain activities or actions.

The law applies to all permits and notifications that meet the following features:

1. permission must be obtained, and the notice is directed to an individual or legal person for the start of operations or actions (operations);
2. obtaining permission (except accompanying resolution) and a notification in accordance with the requirements of legislative acts are mandatory for the prescribed number of persons, and the implementation of activities or actions (operations) without receiving them entail criminal or administrative responsibility;
3. the issue of the permit, and receive notifications are carried out by the authorised state bodies or officials of the authorised state bodies;
4. the obligation to obtain permission, direction, notice is imposed on: legal and physical persons - subjects of private entrepreneurship; - an individual who acquires the right to pursue regulated professional activities; physical and legal persons that are not subjects of private

enterprise, but are required to carry out its activities or actions (operations) to obtain the same permissions as the subjects of the private entrepreneurship;

5. the bodies that grant the permission, are authorised to conduct verification of compliance with the requirements established by laws, presidential decrees, Government regulations or normative legal acts of the National Bank, and in case of noncompliance with statutory requirements to refuse to issue a permit.

The law shall be put into effect upon expiration of six months after the date of its first official publication.

At the time of publication of this bulletin the law is not enacted.

The Government Decree dated 24 April 2014 No. 393 "On alterations of the decree of the Government of the Republic of Kazakhstan dated 29 November 2007 No. 1149 "On approval of the Rules for the formation and maintenance of registers in the field of public procurement"

According to the amendments provided for according to the decree, the following changes and additions were made in these rules:

- The compilation of the clients register is carried out automatically by means of a web portal on the basis of registration data of the customer on the web-portal. In this case the customer is logged on to the web portal no later than three working days from the date of its state registration in the justice bodies.
- In case of reorganisation (liquidation) or changes to the registration data of the client in judicial authorities, the customer not later than ten working days from the day of registration of such cases in the judiciary makes the changed information in the registration data of the customer on the web-portal.
- according to the amendments, the introduction of information into the register the information about the unfair supplier is indicated: name of supplier; country; for residents of the Republic of Kazakhstan - business identification number (BIN) (for legal entities); individual identification number (IIN) (for a physical person); for residents of the Russian Federation - taxpayer identification number (INN) (for legal entities), the insurance number of the individual account (for individuals); for residents of the Republic of Belarus - the taxpayer identification number (TIN) (for legal entities), the sequence number that is automatically assigned to the web-portal (for individuals).
- the registry entry that contains information about the unfair participant of public procurement, shall be excluded from the registry automatically at the expiration of the period established by the legislation
- In the case of effective judicial act on cancellation of the decision on the recognition of unfair participant in the public procurement, the registry

entry that contains information about the unfair participant of public procurement is excluded upon request of a potential supplier or vendor within three working days from the date of receipt by the authorized body of the relevant judicial act

The decree is in effect from 21 May 2014.

Decree of the Board of the National Bank on 26 February 2014 No. 32 "On approval of the Rules of pension savings transfer to the insurance organisation under the agreement of pension annuity"

Rules are formulated in accordance with the Law as of 21 June 2013 "**On pension provision in the Republic of Kazakhstan**" № 105-V and define the procedure of transfer of pension savings to the insurance organization under the agreement of pension annuity. The depositor (recipient) for the purposes of transfer of pension savings is in the sender-fund the following documents:

- 1) the statement of the established sample;
- 2) a copy of the document proving the identity of the depositor (recipient) and its original for review;
- 3) in case of change of surname, name, in the presence patronymic name of the depositor (recipient) copies of documents confirming these changes (the certificate on the conclusion or divorce, change of surname, name, if available, patronymic, a court decision entered into legal force) and their originals for review;
- 4) the original of the pension annuity contract;
- 5) when the transfer of pension accumulations formed at the expense of compulsory pension contributions of women (adopted, adopted) 5 or more children and raised them until the age of eight, entitled to a retirement pension upon reaching the age of 53 years, citizens living in the zones of emergency and the maximum radiation risk in the period from August 29, 1949, on 5 July 1963 at least 5 years, military personnel (excluding military personnel), employees of special state and law enforcement bodies that are assigned special ranks, class ranks, as well as those rights which have special ranks, class ranks, and wear the uniforms abolished from 1 January 2012, invalids of the first and second groups, if disability is established in perpetuity - copy of the identity of the recipient of the pension or benefit, with indication of the grounds for the appointment of payments from the centre and the original for review.

In case of impossibility of personal request of the depositor (recipient) with the application for transfer of pension accumulations depositor (recipient) shall issue individual or legal entity, notarised power of attorney for handling the application for transfer of pension savings, indicating in the proxy name of

the insurance company. benefits with indication of the grounds for the appointment of payments from the centre and the original for viewing.

The decree entered into force from 1 June 2014.

The provisions of the decree shall apply to legal relations arising from 1 January 2014.

The decree of the Government of the Republic of Kazakhstan dated 18 April 2014 No. 380 "On approval of Concept of state regulation of entrepreneurial activities up to 2020"

The concept defines the vision, the basic approaches to state regulation of business and is aimed at ensuring further development in this direction until 2020.

This concept is expected by 2020 to establish, on a permanent basis centralized system public analysis of the regulatory impact of existing and newly introduced laws and instruments of economic regulation and implementation on the basis of harmonization of normative legal acts of associations of private entrepreneurs operating in the sphere of adoption of these legal norms, at the basis of international experience. It also envisages the possibility of transferring the business environment separate state regulation of entrepreneurial activities while enhancing the responsibility of businesses for the violations caused to consumers damage.

Also the implementation of the concept envisages further improvement of risk management systems and the introduction of new principles of relations between the state and business, establishing non-interference in the process of production and domestic activities of private companies, and orientation of state control only the quality and safety of the end product, working on the institutional strengthening of public organizations of consumers' rights protection, increase of requirements, development of mechanisms of activity, increase consumer awareness of quality and safety consumed products.

The decree entered into effect from 31 May 2014.

Contacts

Almaty/Astana

Vladimir Kononenko

Tel.: +7(727) 258 13 40

Fax:+7(727) 258 13 41

Email: vkononenko@deloitte.kz

Atyrau/Aktau

Antony Mahon

Tel.: +7(727) 258 13 40

Fax:+7(727) 258 13 41

Email: anmahon@deloitte.kz

Agaiasha Ibrasheva

Tel.: +7(727) 258 13 40

Fax:+7(727) 258 13 41

Email: aibrasheva@deloitte.kz

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/ru/about for a detailed description of the legal structure of Deloitte CIS.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.

Deloitte's professionals are unified by a collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from diversity. They enjoy an environment of continuous learning, challenging experiences, and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.