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Government Resolution № 1073 dated 9 October 2014 On the Introduction of Amendments and Additions to Government Resolution Republic of Kazakhstan № 675 dated 25 May 2012 "On the Approval of Rules for including Plans in National and Regional Industrialisation Charts"

The Resolution has added the following terms to the above Rules:

- authorised state body – the state body responsible for realising a project, and concluding agreements with applicants
- agreement – a contract between the authorised state body (bodies) and applicant, stipulating state support for and the accountability of the various parties for project realisation
- regional chamber of entrepreneurs – chambers of entrepreneurs for the oblasts, cities of national importance and the capital city, which are part of the National Chamber of Entrepreneurs of the Republic of Kazakhstan at a regional level

According to the additions to the Rules, projects are added to the regional industrialisation chart in stages, as follows:

- 1) first stage – projects are reviewed at the local level
- 2) second stage – projects are reviewed at the central level

Regional industrialisation chart projects move forward to a second stage where they undergo an industry review.

One of the most significant changes is that the value of projects included in certain industrialisation chart categories has increased, so now projects:

- 1) valued up to KZT 4.5 billion are included in the regional industrialisation chart
- 2) valued over KZT 4.5 billion are recommended for inclusion in the national industrialisation chart

Also, according to the amendments, industrialisation chart projects are selected:

- 1) in 2014 according to the priorities of the State Programme for the augmented Industrial-Innovative Progress of the Republic Kazakhstan for 2010-2014, approved by Decree of the President of the Republic of Kazakhstan № 958 dated 19 March 2010
- 2) from 1 January 2015 according to the priorities of the State Programme for the augmented Industrial-Innovative Progress of the Republic Kazakhstan for 2015-2019, approved by Decree of the President of the Republic of Kazakhstan № 874 dated 1 August 2014

With the new amendments, applicants should submit project information to local authorities if the value of their project exceeds KZT 900 million. Projects are selected on the basis General Scheme of the territory of Republic

Kazakhstan. At the same time projects in industries that have not been prioritised by the above programmes and those valued below KZT 4.5 billion may be included in the national industrialisation chart according to a resolution of the Industrial Development Commission.

The changes also affect how often updates are made to the chart. Projects are now included in the national chart based on updates made at least once a year, and to the regional chart at least twice a year.

The resolution entered into force on 11 October 2014.

Government Resolution of the Republic of Kazakhstan № 1060 dated 7 October 2014 On the Approval of a List and the Criteria for treating Concessionary Projects as Highly Significant

The above Resolution has approved criteria for treating concessionary projects as highly significant.

According to the Law dated 7 July 2006 *On Concessions* and budget legislation, a concessionary project is a set of measures to carry out a concession within a limited period and having a clear conclusion.

Thus, the criteria for categorising concessionary projects as highly significant are:

- 1) the technical complexity of the concession object - where its technical construction complexity is the highest level in accordance with Law dated 16 July 2001 On Architectural, Urban Planning and Construction Activities in the Republic of Kazakhstan
- 2) the concessionary project should be socially significant
- 3) the concessionary project is linked to national assets (existing or planned), and/or the beneficiaries of the economic benefits from the concessionary projects are spread across two or more regions, cities of national importance or the capital city
- 4) the cost of creating (reconstructing) a concession object exceeds 4,000,000 times the monthly calculation index.

The resolution entered into force on 25 October 2014.

Government Resolution №1065 dated 8 October 2014 *On the Introduction of Amendments and Additions to Government Resolution № 45 dated 13 January 2012 “On the Approval of Rules for setting Quotas for hiring Foreign Nationals in the Republic of Kazakhstan, the Rules and Conditions for issuing Work Permits to Foreign Nationals and to Employers to hire Foreign Nationals” and the Introduction of Amendments to Government Resolution № 836 dated 19 June 2001 “On Measures to realise Law of the Republic Kazakhstan dated 23 January 2001 On Employment*

According to changes to the employment rules, quotas for priority projects are set according to the duration of the project. In addition, the Rules no longer extend to foreign nationals working for companies in Kazakhstan that have signed contracts to implement priority investment projects according to Kazakhstan investment legislation, and also those employed by organisations hired by the same companies (or their contractors) as a general contractor, contractor, subcontractor or performer of services in the architectural, city planning and construction industries (including prospecting and design activity, engineering services), for a period of up to one year from the commission of investment activities, working as a manager or specialist with higher education, and also non-qualified workers according to a list of professions, and head counts referred to in priority investment project contracts.

The resolution entered into force on 25 October 2014.

Resolution of the Board of the National Bank of Kazakhstan № 169 dated 27 August 2014 *Establishing Limits for receiving Bank Deposits, opening and maintaining Individuals’ Bank Accounts*

In accordance with the Law dated 31 August 1995 *On Banks and Banking Activities in the Republic of Kazakhstan*, the following limits have been set for commercial banks regarding the receipt of deposits, opening and maintaining individuals’ bank accounts:

1) from 1 January 2016:

- KZT 10 billion - if the bank’s equity varies between KZT 10 billion and KZT 30 billion

1) from 1 January 2017:

- KZT 10 billion - if the bank’s equity varies between KZT 10 billion and KZT 30 billion
- KZT 50 billion - if the bank’s equity varies between KZT 30 billion and KZT 50 billion

2) from 1 January 2018:

- KZT 10 billion - if the bank’s equity varies between KZT 10 billion and KZT 30 billion

- KZT 50 billion - if the bank's equity varies between KZT 30 billion and KZT 50 billion
- KZT 75 billion - if the bank's equity varies between KZT 50 billion and KZT 75 billion)

3) from 1 January 2019:

- KZT 10 billion - if the bank's equity varies between KZT 10 billion and KZT 30 billion
- KZT 50 billion - if the bank's equity varies between KZT 30 billion and KZT 50 billion
- KZT 75 billion - if the bank's equity varies between KZT 50 billion and KZT 75 billion
- KZT 100 billion - if the bank's equity varies between KZT 75 billion and KZT 100 billion

Commercial banks with equity of less than KZT 100 billion as at the date the resolution entered into force, should submit an action plan to the National Bank by 1 January 2015 referring to:

- an equity forecast as at 1 January 2019 and measures for bringing gradually increasing equity capital to the predicted amount
- measures to restrict (reduce) the size of liabilities associated with receiving deposits, opening and maintaining individuals' bank accounts, to a level corresponding to equity values that enter into force from 1 January 2019.

The resolution entered into force on 10 November 2014.

Order № 393 of the Minister of Finance dated 10 September 2014 On Amendments to Order № 52 of the Acting Minister of Finance dated 10 February 2010 "On the Approval of a List of Offshore Zones in Connection with the Law "On Counteracting the Legalisation (Laundering) of Illegally Obtained Proceeds, and the Financing of Terrorism"

A new version of the list of offshore zones for the purposes of implementing the Law *On Counteracting the Legalisation (Laundering) of Illegally Obtained Proceeds, and the Financing of Terrorism* has been set out in the appendix to the order, adding the following countries:

1. The South Georgia Islands
2. The South Sandwich Islands
3. The Chagos Islands
4. The US States of Wyoming and Delaware
5. Bahrain
6. Guyana

7. The Dominican Republic
8. The Republic of Ireland (Dublin and Shannon only)
9. Colombia
10. Lebanon
11. Luxembourg
12. Mauritania
13. The Mariana Islands
14. Morocco (Tangier only)
15. The United Arab Emirates (Dubai only)
16. San Marino
17. Surinam
18. Tanzania
19. Trinidad and Tobago
20. Fiji
21. France (the following areas only):
 - 1) the Kerguelen Islands
 - 2) French Polynesia
 - 3) French Guyana
22. Montenegro
23. Jamaica

The order entered into force on 9 November 2014.

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