

Kazakhstan becomes the second government to embrace the cryptocurrency market system

Moscow, 13 July 2017. *The Astana International Financial Center* has announced the creation of a working group together with Deloitte, Waves, Juscutum, and Kesarev Consulting to develop an ecosystem to enable blockchain solutions for the CIS region.

"AIFC aims to become a most favorable FinTech jurisdiction with an open ecosystem and the most progressive regulating framework. We thank our partners for the support given to our blockchain regulatory development initiative. In the next phase of the project, our working team will be looking at widening the participation to include other industry stakeholders", said **Nurlan Kussainov, CEO of AIFC Authority**

The AIFC's working group is aimed at development of legislation regulating cryptocurrency transactions; establishing the ecosystem for the use of Blockchain technology, cryptoassets and blockchain based projects; formation of a favorable environment for innovative development of Kazakhstan and elaborating the dialogue among business, citizens, and government and improving the investment climate in Kazakhstan for development and support of innovative technologies.

"There is no greater recognition for lawyer than to be involved in the development of regulatory rules, which were lacking in practice. It is especially valuable that this happens in the ICO industry: new, dynamic, and extremely difficult for classical law. We consider this project as a perfect opportunity to create a new jurisdiction, which would be most favorable for crypto projects in the world. We are very pleased with the willingness of AIFC to embrace this new phenomenon; it gives hope for very quick results", **Head of Juscutum Artem Afyan** notes.

Cryptoeconomics is lacking regulatory mechanisms although has experienced rapid growth during the last several years. There is a dire need for the creation of necessary conditions for putting together the legal framework for blockchain projects and crypto-currencies. Currently, there is no other jurisdiction that fully satisfies all requests of crypto-economics. Astana has good chances to be one step ahead and to occupy this niche in the global market.

"We are glad that the AIFC is trying to create the most favorable conditions for the development of blockchain technologies. To achieve this goal, concrete steps have already been taken, one of which was the creation of a working group. We are sure that the outcomes of this group, which includes the Waves Platform, will attract new investors to Kazakhstan and will help the country to be a new destination in the field of blockchain", **Waves founder and CEO Sasha Ivanov** says.

This collaboration will allow creation of the most favorable conditions for ICO projects and to use the best international practices to achieve this goal.

"Kazakhstan became the second country in the world, after Japan, which recognized the need for the development of the cryptocurrency market system at the governmental level. The development of the digital currency market on the basis of the Astana International Financial Center is the first step towards a creation of a full-fledged ecosystem for the digital economy in Kazakhstan", says **Natalia Sheiko, partner of Kesarev Consulting**.

Independent legal and regulatory framework based on the English common law principles, and the Fintech regulatory Sandbox, a special regime for innovative projects within the Astana International Financial Center, are unique advantages for attracting capital to different projects from around the world.

"Creation of an enabling regulatory environment for blockchain projects is currently crucial and is included to the agenda of the most innovative economies around the world. We are glad to be a part of the created consortium and to participate in a regulatory development process based on the best world practices and a deep understanding of the industry", says **Artem Tolkachev, Director of Legal Services for Technology Projects at Deloitte CIS**.

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Astana International Financial Center (AIFC) is an international center of financial services located in Kazakhstan. AIFC operates within a special legal regime based on Common Law principles, which regulates the legal relationships between AIFC participants and third parties and is aimed at the development of the financial market. The objectives of the AIFC are to attract investment into the economy through the establishment of a favorable environment for investments in financial services, to develop regional Capital markets, Asset management, FinTech and Islamic finance.

Deloitte CIS is one of the leading international professional services firms that offers audit, consulting, corporate finance, enterprise risk, and tax and legal services leveraging professional experience of approximately 3,400 employees in 19 offices of 11 countries across the region. Today, Deloitte has offices in Moscow, St. Petersburg, Ufa, Yekaterinburg, Yuzhno-Sakhalinsk and Novosibirsk in Russia, Kyiv in Ukraine, Minsk in Belarus, Tbilisi in Georgia, Baku in Azerbaijan, Aktau, Almaty, Astana and Atyrau in Kazakhstan, Bishkek in Kyrgyzstan, Tashkent in Uzbekistan, Dushanbe in Tajikistan, Ashgabat in Turkmenistan and Yerevan in Armenia.

Kesarev Consulting is among few reputable local consultants to provide professional and compliant services in CIS region on government relations, public affairs, regulatory/policy and issues management. With offices in Astana (Kazakhstan), Kyiv (Ukraine) and Moscow (Russia), Kesarev has been assisting industry associations, global, multinational and national companies of international scale throughout CIS region since 2004.

Waves is a decentralized platform for crowdfunding and the creation of digital tokens. Waves' core business is asset/custom token issuance, transfer, and trading on blockchain. One of the project's key features is simplicity of use and mass implementation. Proof-Of-Stake is expected to be used as the consensus algorithm. In June 2016, Waves completed the ICO, raising over USD 16 million (30,000 bitcoins). Waves is a top-10 blockchain project in terms of crowdfunding investments. Presently, the company's capitalization about USD 300 million. Many startups, including MobileGo, ZrCoin, EncryptoTel, PrimalBase and Starta held their ICOs via the platform.

Juscutum is the first law firm in Ukraine to transform into legal engineers to provide clients not only with consultations but with complex solutions to problems and tasks. The company works in such areas as corporate, tax, IT and media law, international business administration, white collar crime and dispute management. In 2016 Juscutum became No.1 in Technology.Media.Telecommunications rankings. The company is one of the top 5 Ukrainian law firms in white collar crime area. Juscutum actively implements technologies into legal services and processes. The company develops bot-lawyers and has released a unique mobile application for legal protection - Juscutum Legal Alarm.

Elena Rakhlenko
ZAO Deloitte & Touche CIS
Tel.: +7 (495) 787 06 00
erakhlenko@deloitte.ru

Gulnar Mukhanova
AIFC Authority
Tel.: +7 (717) 261 37 28
g.mukhanova@aifc.kz

Pavel Melnikov
Kesarev Consulting
Tel. /fax: +7 (495) 662 98 59

Evelina Lavrova
Waves Platform
Tel.: +7 (916) 577 58 66
evelina@wavesplatform.com

Anna Moiseeva
Juscutum
Tel.: +380 (63) 073 4377
anna.moiseeva@juscutum.com