



Grant Thornton

An instinct for growth™

Doing business in Kazakhstan 2014



Content

	Page
Content	2
Foreword	3
Country profile	4
Regulatory environment	7
Finance	11
Imports	16
Labour	20
Financial reporting and audit	22
Tax	24



“We are convinced that the presence of Grant Thornton in Kazakhstan will be a catalyst for the development of Grant Thornton activities in Central Asia and the CIS.”

Yerzhan Dossymbekov,
Managing Partner

Grant Thornton
Kazakhstan

Foreword

We are delighted to announce that, with effect from 1 January 2011, Grant Thornton has made a significant investment towards serving clients in Kazakhstan by opening its new office in Almaty and from 1 October 2012 office in Astana. Grant Thornton in Kazakhstan is a member firm of Grant Thornton International LTD, which is one of the world's leading organisations of independent assurance, tax and advisory firms. These firms help dynamic organisations unlock their potential for growth by providing meaningful, forward looking advice. Proactive teams, led by approachable partners in these firms, use insights, experience and instinct to understand complex issues for privately owned, publicly listed and public sector clients and help them to find solutions. More than 38,500 Grant Thornton people, across over 120 countries, are focused on making a difference to clients, colleagues and the communities in which we live and work.

This guide has been prepared for the assistance of those interested in doing business in Kazakhstan. It does not cover the subject exhaustively but is intended to answer some of the important, broad questions that may arise. When specific problems occur in practice, it will often be necessary to refer to the laws and regulations of Kazakhstan and to obtain appropriate accounting and legal advice. This guide contains only brief notes and includes legislation in force as of September 2, 2014.

For further information on doing business in Kazakhstan you may contact our key people in Almaty.

“Grant Thornton” refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.



Country profile

Summary

Kazakhstan is a country with a wide history, located in heart of Eurasia, shows constant growth and development. Kazakhstan is a former Soviet Union country, got independence in 1991.

General information about Kazakhstan is presented below (Source: www.stat.gov.kz):

Basic data	
Population	17.1 million
Area	2.7 million sq. meters
GDP	US\$ 231,875.1* million
GDP – per capita (PPP)	US\$ 13,611.5
Exports	US\$ 84,700.4 million
Imports	US\$ 48,805.6 million
Literacy rate	99.6%
Unemployment	5.1 %
Life expectancy	65.8 years men, 75.1 women
Urban population	54.6 %
Local currency	Kazakhstani Tenge
Exchange rate(USD/KZT)	152.1 KZT (December, 2013) 184.0 KZT (March, 2014)

* as per 2013, at rate 1 USD = 152.1 KZT

Geography and population

Kazakhstan is the ninth largest country in the world. The total length of the country's borders is about 12.2 thousand kilometers. Kazakhstan borders with the Russian Federation (6,477km), Uzbekistan (2,300 km), China (1,460 km), Kyrgyzstan (980 km), Turkmenistan (380 km).

The number of population of Kazakhstan at the end of December 31, 2013 was 17.1 million people. The urban population forms about 55%, the rest is rural population. Two big cities, Astana and Almaty have population of 735 thousand and 1,959 thousand respectively as of 31 December 2013. Altogether the representatives of 131 nationalities live in the Kazakhstan. In ethnic composition of the population the largest nationality groups in the Republic are Kazakhs, Russians, Ukrainians, Uzbeks, Germans, Tatars, Uigurs; they make up 95% from the total number of country population. More than 63% of the populations are Kazakhs.

Political and legal system

Republic of Kazakhstan is a unitary state with the presidential government form of the rule. The President is elected by the voting for seven-year term. The president is also the commander in chief of the armed forces and may veto legislation that has been passed by the Parliament.

The State power in the Republic of Kazakhstan is based on the Constitution and laws in accordance with the principle of the separation of legislative, executive and judicial.

The highest representative body of the Republic of Kazakhstan performing legislative functions is the Parliament of the Republic of Kazakhstan. The Parliament consists of two Chambers acting on a permanent basis: Senate (is elected for 6 years) and Mazhilis (is elected for 5 years).

The Government of Kazakhstan heads the executive system and is responsible for its management.

The Justice in the Republic of Kazakhstan is fulfilled only by the Court. The Courts of the Republic are the Supreme Court of the Republic and local courts of the Republic, established by the law. The special position in the political system of Kazakhstan occupies the Constitutional Council of the Republic of Kazakhstan. It consists of seven members whose powers shall last for six years. The life members of the Constitutional Council are the ex-Presidents of the Republic of Kazakhstan by right.

Language

The state language of Kazakhstan is Kazakh. Russian is accepted as the second official language, according to the Constitution of Kazakhstan.

Business hours/time zone

Business hours for most companies are from 9 a.m. until 6 p.m., 5 days a week from Monday to Friday. Kazakhstan is located in two time-zones UTC+5 and UTC +6.

Public holidays

Holidays in Kazakhstan are divided into four groups: national, state, professional and others. Below presented list of holidays celebrated in Kazakhstan according to the Law № 267-II on “Holidays in the Republic of Kazakhstan” from 13 December, 2001 (updated in October 18, 2012):

Date	Holiday
January 1-2	New Year
January 7	Orthodox Christmas
March 8	International Women’s Day
March 21-23	Nauryz Holiday
May 1	Kazakhstan People Solidarity Holiday
May 7	Defender's Day
May 9	Victory Day
July 6	Capital City Day
August 30	Day of Constitution
October	Kurban Ait (the date constantly changes according to Muslim calendar)
December 1	Day of the First President
December 16-17	Kazakhstan Independence Day

Economy

In 2013 the economic policy of the Republic of Kazakhstan is directed to:

- 1) increasing the competitiveness of Kazakhstan's economy;
- 2) diversification within the state program of forced industrial and innovation development;
- 3) implementation of state programs of human capital development, including education, health and development of languages.

Increased competitiveness will be achieved by provision of macroeconomic stability, improvement of investment and business environment, institutional improvement, technology and innovation development, development quality of country's human resources and the reduction of trade barriers and the expansion of the economic integration within the Customs Union.

Economic growth

Kazakhstan's economic growth increased from 5% in 2012 to 6% in 2013, driven mainly by stronger credit-driven domestic demand from the private sector and private investment. Both private consumption and private investment grew much faster in 2013 than in preceding years. Private consumption growth was supported by a rapid expansion of consumer lending (46% increase). The boost in investment activity is also explained by an increased availability of credit. According to the World Bank official data, the share of credit, as a source for fixed capital investment funding, increased from 12% in 2012 to over 20% in 2013.

However, following solid growth performance in 2013, the economy is losing some momentum. In view of the substantial deterioration in the current account balance, concerns about competitiveness (given significant depreciation in the Russian ruble), and the fall in international reserves, the National Bank of Kazakhstan (NBK) devalued the tenge by 18% in February, 2014. The recently released preliminary figures for 2014 Q1 suggest that real GDP growth is decelerating, reflecting the loss of investors' confidence. Moreover, price controls announced after the devaluation are expected to adversely affect planned investment of large state-owned enterprises (SOEs). Against this backdrop, NBK's revised preliminary growth projection for 2014 is around 4¾ percent (compared with the earlier projection of 5¾ percent), despite positive contribution from the authorities' planned fiscal measures. Nonetheless, temporary inflationary pressures are likely to emerge from the devaluation, although the authorities are determined to keep inflation within the central bank's objective range of 6-8%. Over the medium term, stronger growth prospects are driven by a projected increase in oil output, subject to rising uncertainty associated with the Kashagan oil field.

The economy was, and remains highly resource-dependent. Country's investment potential is based on minerals and raw materials. Because their exploitation creates more than a half of the gross product, the quality and extent of deposits utilization and the reproduction of raw material reserves play decisive role in the present and future of Kazakhstan.

At the same time, Kazakhstan Government's top priority is to encourage foreign direct investments into industry, agriculture, innovation, processing sectors in order to decrease the dependence of the Kazakhstan economy on energy and extracting sectors, and to ensure continued growth of Kazakhstan's economy.

Employment levels

The number of unemployed people made up 470.9 thousand people in December 31, 2013. It is 5.1% to economically active people.

Cost of living and Living standards

An average minimum cost of living was 17,789 tenge (116.93 USD, at rate 1USD=152.1 KZT) as of December 31, 2013. At the meantime, an average income per person was 56,520 tenge (371.5 USD, at rate 1USD=152.1 KZT) in 2013 which is 6.8 % higher than in the preceding year.

Regulatory environment

Summary

The legal system of Kazakhstan belongs to the Roman-Germanic (continental) legal system. The Constitution (the Basic Law) adopted in 1995 at the referendum has the highest legal force.

Legal regulations on foreign ownership

The Republic of Kazakhstan firmly holds a leadership position on foreign investment. In terms of attracting foreign direct investment per capita, Kazakhstan is among the top five Central and Eastern European countries and CIS.

The wide attraction of foreign investments was made possible to improve investment legislation and the business climate. The work of the Foreign Investors Council under the leadership of President Nursultan Nazarbayev play the greatest role in enhancing investor confidence and improving their relationships with government agencies. Improving the country's international image also contributed to the growth of investment. It is important to note that with the increasing financial strength of local banks and companies, Kazakhstan became not only the recipient of foreign investments, but it is also increasingly investing abroad and opening up new markets. As a result, in recent years, Kazakhstan took the first place in the world growth rate of lending to the real economy.

The law of the Republic of Kazakhstan “On Investments” adopted on January 8, 2003 and updated periodically regulates investments activity in the Republic of Kazakhstan, and defines the legal and economic framework of investment stimulation, guarantees the protection of investors’ rights in the Republic of Kazakhstan, defines the measures of the state support of investments, and the arbitration order of disputes with investors.

Investors are granted a full and unconditional protection of the rights and interests, which is ensured by the Constitution of the Republic of Kazakhstan, the Law and other normative legal acts of the Republic, as well as international treaties ratified by the Republic of Kazakhstan.

Investors are entitled to:

- 1) in its sole discretion to use income from its operations, after taxes and other obligatory payments to the budget in accordance with the laws of the Republic of Kazakhstan;
- 2) to open Kazakhstani bank accounts in national currency and (or) foreign currency in accordance with banking and currency legislation of the Republic of Kazakhstan.

Investors are provided with free access to information about the registration of legal entities, their charters, the registration of real estate transactions, as well as the licenses issued, except for information that contains commercial and other information protected by law.

Control over the activities of investors is carried by authorized state agencies of the Republic of Kazakhstan. The government of Kazakhstan actively supports foreign investments by creating favorable investment climate, developing the economic conditions, expanding and updating existing manufactures with modern technologies, training of Kazakhstani personnel, as well as ensuring environmental protection.

State support for investments is to provide investment preferences. The investment preferences include investment tax preferences, an exemption from customs duties, state in-kind grants.

Ownership

Ownership right is established and regulated by the Constitution, Civil Code and other regulatory and legal acts of the Republic of Kazakhstan.

In accordance with Article 6 of the Constitution of the Republic of Kazakhstan public as well as private property are equally recognized and equally protected in Kazakhstan. Property entails responsibility and its use must simultaneously benefit the society. Subjects and objects of ownership, the scope and limits of the rights of owners, and guarantees of their protection are defined by law. Land and its minerals, water, flora, fauna, and other natural resources are the state property. Land can also be privately owned on terms, conditions, and limits set by law. According to Article 26 of the Constitution of the Republic of Kazakhstan, citizens of Kazakhstan may privately own any legally acquired property. Property, including inheritance, and rights are guaranteed by law. No one shall be deprived of his/her possessions except by court order. Everyone has the right for freedom of entrepreneurial activity and free use of his/her property for any lawful business activity.

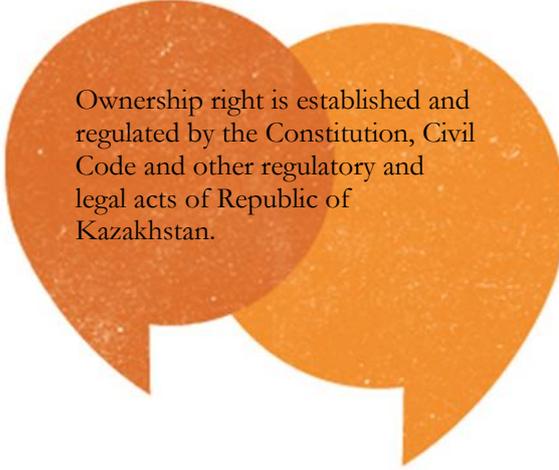
In accordance with the Land Code the plots of land in state ownership may be granted to private ownership to citizens (under the term “citizen” foreign citizens and individuals without citizenship are included) and non-governmental entities, except for land which in accordance with the Code cannot be privately owned.

According to Article 23 of the Land Code:

Citizens of the Republic of the Kazakhstan can have private property that includes land plots for peasant or farm, private farming, a forestation, horticulture, individual housing suburban development, as well as granted or built-up areas for construction of production and non-productive, including residential, buildings and their complexes, including land intended for the maintenance of buildings (structures, installation) in accordance with their purpose.

Non-state entities of Kazakhstan can have the private property that includes land granted to maintain agricultural productions, a forestation, or built-up areas for construction of production and non-productive, including residential, buildings and their complexes, including land intended for the maintenance of buildings (structures, installation) in accordance with their purpose.

Foreign citizens, individuals without citizenship, and foreign legal entities (non-state) can have private property that includes land for built-up areas for construction of production and non-productive, including residential, buildings and their complexes, including land intended for the maintenance of buildings (structures, installation) in accordance with their purpose. Foreign citizens, individuals without citizenship, and foreign legal entities (non-state) may not have land for agricultural productions and a forestation.



Ownership right is established and regulated by the Constitution, Civil Code and other regulatory and legal acts of Republic of Kazakhstan.

Government approvals and registration

In order to get status of legal entity, it should be registered at the Ministry of Justice of Republic of Kazakhstan. From 2011 there is possibility to make on-line registration of legal entity by providing all required documents such as charter, corporate documents.

Competition rules/consumer protection

From 1990 onwards there has been done a lot in Kazakhstan to develop competition: Law on competition was accepted, monopoly and competitive markets have been divided, administrative barriers has been reduced and privatization has been done. Companies should follow rules of competition under the "Law On competition" which includes anti-monopoly regulations as well.

Import and export controls

Currently, foreign trade policies are primarily executed through the customs and tariff regulation and methods of non-tariff regulation. Legal order in foreign trade regulation is provided in the Law of Republic of Kazakhstan "On the regulation of commercial activities" as of April 12, 2004 (as amended and restated as of December 11, 2006) and other regulatory and legal acts. Rates of import and export duties and the list of goods to which they apply, approved by the Resolution of the Government of the Republic of Kazakhstan "On Customs Tariff and Commodity Code of the Republic of Kazakhstan" as of December 28, 2007. In accordance with this Regulation, the following types of customs duties are present:

- ad valorem - calculated as a percentage of the customs value of taxable goods;
- specific - charged a fixed amount per unit of taxable goods;
- combined - combining both mentioned kinds of customs duties.

Established classification of goods in foreign trade activities on the 10-digit commodity nomenclature is based on the International Convention on the Harmonized Commodity Description and Coding.

According to the Tax legislation imported goods are subject to value added tax at a rate of 12 %. Vat on exports is zero rate.

Price controls

Prices are controlled by government's authorized body and antimonopoly agency. Companies should provide supporting documents proving expenses related to production, delivery, etc. of goods in order to set fair price. In accordance with the law, state regulation of prices applies to goods (works, services) of a regulated market in the field of rail transport, electricity and heat, petroleum products, oil transportation, civil aviation, port operations, telecommunications and postal services, as well as gas the specifications established by the law of the Republic of Kazakhstan "On gas and gas supply". Furthermore, the Government of Kazakhstan on the proposal of antimonopoly agency and authorized bodies may further establish the range of products, goods and services that are controlled by state-regulated prices in the commodity market.

Use of land

Major law to regulate use of land in Kazakhstan is the Land Code accepted on June 20, 2003, updated periodically. The land in Kazakhstan belongs to the state. In certain cases land could be under private ownership.

Under private ownership for non-governmental companies lands could be dedicated for agricultural production, foresting, granted or built industrial and non-industrial buildings including residential) and their complexes, including lands designated for maintenance of buildings in accordance with their purpose.

In a private property of foreigners, stateless individuals and foreign companies (non-state) can only be land intended for development or built up by industrial and non-industrial, including apartment buildings and complexes, lands designated for maintenance of these buildings.

Lands of border zone or border line cannot be given under private ownership of foreigners or stateless individuals and foreign legal entities.

Exchange control

Kazakhstan issued its national currency - Kazakhstani Tenge - in 1993. Market exchange rate is fixed daily at the Kazakhstan Stock Exchange (KASE).

According to the Kazakhstan legislation, transactions between resident and non-resident can be held in any currency and transactions amongst residents should only be in the national currency-tenge.

The currency legislation sets out three regimes for currency regulations: licensing, registration and notification of currency transactions.

Stock market and securities

The central regulatory act governing the securities market in Kazakhstan is the RoK Law “On Securities Market” dated 2 July 2003 and updated periodically. This law governs such matters as:

- issue, placement, circulation and redemption of issue-grade securities and other financial instruments;
- specific features of establishment and operation of securities market participants;
- determination of the procedure for regulation and supervision of the securities market to ensure secure, open and efficient operation of the securities market, protection of the rights of investors and holders of securities, and fair competition of securities market participants.

Finance

Summary

The financial system of Kazakhstan is a market based and usually consists of six units: the state budget, local finances, special funds, finance state-owned banks, finance companies and public corporations. Within twenty years of independence Kazakhstan has completely changed the system of economic and social relations. Since the beginning of 1994 the global economic reforms largely have achieved financial stabilization, approaching to completion of all state property privatization, there has been a rise in production. Occurred almost complete liberalization of prices and the abolition of most restrictions on foreign trade.

Banking system

Kazakhstan has two-tier banking system. The National Bank (NBK) is the central bank of Kazakhstan represents the upper (first) tier of the country's banking system. All other banks represent the lower (second) tier of the banking system, excluding the Kazakhstan Development Bank that has a special legal status.

Banking operations are subject to licensing by the National Bank.

Foreign banks have been operating in Kazakhstan since 1993 in the form of wholly owned Kazakhstan subsidiaries.

The banking system of Kazakhstan is developing rapidly and it continues to be one of the strongest among the countries of the former Soviet Union. As of December 2013 the banking system of Kazakhstan was represented by 38 second-tier banks. Several major foreign banks have branches in Kazakhstan, including RBS, Citibank, HSBC, Kookmin, Al-Hilal, Sberbank of Russia, Bank of China. As of December 2013 the total assets of all second-tier banks amounted to 101.7 billion US dollars. The basis of banking legislation of the Republic of Kazakhstan is the Law "On the National Bank of Kazakhstan" and the Law "On banks and banking activities".

President Nazarbayev initiated Baiterek National Managing Holding in May 2013 to enhance industrialization of the country, drive the local and foreign investments to partake in the industrial sector and to support entrepreneurship. As such, Baiterek National Managing Holding, responsible for the State Program of Accelerated Innovative and Industrial Development, channelled \$800 million into second-tier banks of Kazakhstan. The funds were be invested through its branch organization, the Development Bank of Kazakhstan (DBK).

NBK acts as a regulator of monetary and credit policy. NBK is accountable directly to the President of the Republic of Kazakhstan. The National Bank of Kazakhstan is an independent financial institution. Its major objectives include control and prudential regulation of the banking sector and maintenance of stable national currency. It is independent within the scope of its activity, identified by current legislation. Neither the Government, nor the Parliament or local authorities are authorized to interfere with the National Bank's operations. The National Bank, however, co-ordinates its activities with the Cabinet of Ministers. It acts as a bank, a financial adviser, or an agent of the governmental bodies. The management bodies of the National Bank are the Council and the Board of Directors.

National Bank has introduced deposit insurance in its campaign to strengthen the banking sector. So, the National Bank of Kazakhstan commands sufficient resources to support the country's commercial banks.

The securities market of Kazakhstan is comprised by two main segments:

Regulated securities market

The market for circulation of issue-grade securities and other financial instruments for transactions involving such securities and instruments are consummated in accordance with internal documents (rules, regulations, etc.) of the trade organizers, i.e. stock exchanges and quotation organizations of the OTC securities market.

Unregulated securities market

The market for circulation of securities is when transactions do not require compliance with the internal documents of trade organizers, i.e. outside stock exchanges and quotation organizations. Circulation of securities, as well as other objects of civil rights, means consummation of various civil transactions involving securities.

All transactions involving issue-grade securities are subject to mandatory registration in accordance with the legislation of the Republic of Kazakhstan. The purpose of such registration is that it is a legal method of reflecting the transfer of the rights and title of the security. Pursuant to the RoK Law On Securities and rights to securities are certified by obtaining an extract from the personal account of the securities holder reflecting all transactions involving securities of the relevant holder.

Securities market participants are divided into two large categories: professional securities market participants and non-professional securities market participants.

The RoK Law “On Securities Market” defines the following criteria for defining a market participant as a professional securities market participant: it has the status of legal entity; operates under a license or is in pursuance of provisions of legislative acts; operates as a joint stock company (related to brokers and/or dealers without the right to maintain customers' accounts, registrars, transfer agents).

Below are the types of activities that may be carried out by professional securities market participants:

- brokerage activity;
- dealer activity;
- maintenance of securities holders registers;
- investment portfolio management;
- pension fund assets investment portfolio management;
- custodian activities;
- transfer agency activities;
- organization of trading involving securities and other financial instruments.

Non-professional securities market participants include individual investors (private individuals and legal entities), institutional investors (investment and mutual funds, pension funds, etc.), issuers (persons issuing securities), self-regulating organizations (association/unions of professional securities market participants).

In order for a security to be admitted to stock exchange, the person issuing such securities (the issuer) must meet certain specific criteria (listing requirements). General requirements for issuers are determined by the Resolution of the Board of the Agency on Regulation and Supervision of the Financial Market and Financial Organizations dated 30 March 2007. All issue-grade securities admitted to the stock exchange, depending on whether their issuers meet certain criteria, are divided into separate categories reflecting the level of financial risk exposure.

The RoK Law On Securities Market provides special consideration to the most common types of securities, i.e. shares and notes or bonds.

Shares issued by joint stock companies are subject to registration with competent authorities upon completion of the procedure of registration of the joint stock company as a legal entity (its incorporation). Upon completion of placement of shares among their founders, joint stock companies may offer the remaining shares to the general public.

The emergence in the stock market of such major players as pension funds boosted the development of non-government bonds. The securities legislation provides for registration of different kinds of bonds issued depending on the amount of borrowing and target area of the issuer. For instance, for the purposes of further development of the mortgage lending, the legislation expressly defines the requirements for issue of mortgage bonds.

In order to provide stock market participants with wider investment opportunities, the legislation defines the types and order of circulation of various types of derivative financial instruments (options, swaps, futures, etc.) relying on internationally applied principles and notions.

The emergence of the regulated financial instruments market (stock exchange) in Kazakhstan was prompted by the introduction of the national currency, tenge, on November 15, 1993. On November 17, 1993, the National Bank of the Republic of Kazakhstan and twenty three leading banks established the Kazakhstan Interbank Currency Exchange. As the law was updated and the securities market developed, the Kazakhstan Stock Exchange (KASE) became a full-fledged trading floor for all financial instruments. Currently, KASE comprises 86 members, including banks, broker and dealer companies, investment companies and pension fund assets management companies.

One of the strategic directions of further development of Kazakhstan's financial sector is creation of the regional financial center in the city of Almaty. The special RoK Law "On the Regional Financial Center of Almaty city" was adopted on June 5, 2006. Pursuant to this Law, the regional financial center of the city of Almaty represents a special legal framework governing relations of participants of the financial center and parties concerned, which is aimed at development of the financial market of the Republic of Kazakhstan. The goals of the financial center are the development of the securities market, ensuring its integration into international capital markets, attraction of investment to the economy of Kazakhstan, and introduction of Kazakhstan capital to international securities markets.

On December 15, 2006, the Chairman of the Agency of the Republic of Kazakhstan on Regulation of the Activities of the Regional Financial Centre of Almaty City issued an order whereby Kazakhstan Stock Exchange was appointed as an operator of the regional financial center of the city of Almaty (the RFCA). The Agency is an indirect (through ownership of 100% of shares of the newly established joint stock company Regional Financial Center of Almaty City) major shareholder of KASE and is actively involved in the management of the stock exchange.

The RFCA has created conditions for introducing new types of securities to the capital market. In pursuance of the Strategic Plan for 2009-2011, it works specifically on introducing new financial instruments, including development and implementation of new listing rules to attract new domestic and international issuers. Pursuant to the new listing rules, the non-government securities admitted to listing are divided into two main categories, shares and debt securities.

Today, KASE is an universal financial market which comprises four major sectors: the foreign currency market, the government securities market, including international securities of the Republic of Kazakhstan, the shares and corporate bonds market and derivatives market and is an operator of the largest universal regulated financial market in Central Asia where international investors from all over the world may trade in wide range of financial securities with minimal estimated risks and in accordance with the best international practice and to use various quality, additional exchange services.

The RoK Law “On Securities Market” provides for an option to place securities of Kazakhstan resident issuers in foreign states subject to certain conditions, the most important of which is the requirement to offer the securities contemporaneously in the domestic stock market which is one of the measures encouraging development of the securities market of Kazakhstan. This option makes it possible for the residents of the Republic of Kazakhstan to gain direct access to foreign capital markets and attract investment at lower costs. Some successful examples of the IPO include offering of shares of such major companies as Kazakhtelecom JSC and KazMunaiGas Exploration Production JSC.

Free Economic Zones of the Republic of Kazakhstan

The legislation of Kazakhstan envisages the establishment of foreign investments-oriented free trading zones. The Law of the Republic of Kazakhstan “On special economic zones in the Republic of Kazakhstan” and the law “On introducing amendments and addenda to some legislative acts of the Republic of Kazakhstan on activities of the special economic zones” adopted in 2007 establishes organizational, legal and economic bases for the establishment, functioning and liquidation of free trading zones on the territory of the Republic of Kazakhstan, as well as regulates financial issues and entrepreneurial activity in free trading zones. Legislation of the Republic of Kazakhstan on Free Economic Zones (FEZ) is based on the Constitution of the Republic of Kazakhstan, consists of the Law “On special economic zones in the Republic of Kazakhstan” and other regulations of the Republic of Kazakhstan.

The main purpose of the laws is to improve the management of FEZ in Kazakhstan, to ensure stability of tax legislation for the residents, providing them with guarantees, extending the list of activities allowed in the FEZs. The decision to establish special economic zones is adopted by the President of the Republic of Kazakhstan on presentation of the Government of the Republic of Kazakhstan. Special economic zones are created for up to twenty-five years. Special economic zones are created on land owned by the state and not available in land or on land, expropriation of the owners of land plots and land for public use in accordance with land legislation of the Republic of Kazakhstan.

For a free trading zone, the Law establishes special customs, monetary, financial and tax regimes, simplified entry, stay and exit procedures for residents and non-residents identified by the Regulations on Free Trading Zones. Other regimes are also envisaged, aimed at attracting investment, stimulating entrepreneurship and socio-economic development of a free trading zone. The regime of free custom zones acts on the territory of FEZ.

There are 9 Free Economic Zones in Kazakhstan:

1. “Aktau Sea Port” (Aktau) - development of transport and logistics services;
2. “Astana – New City” (Astana) - construction and building materials, machinery, wood processing, rubber and plastic products and pharmaceuticals;
3. “Park of Information Technology” (Almaty) – IT business;
4. “Ontustik” (Sairam district of South-Kazakhstan region) – textiles;
5. “National Industrial Petrochemical Park” (Atyrau region) - petrochemical production of deep processing of hydrocarbon raw materials and production of petrochemical products with high added value;
6. “Burabai” Special Economic Zone (200 km from Astana) - the tourist cluster;
7. “Saryarka” (Karaganda region) – development of metallurgy and metalworking;
8. “Khorgos – east gates” (Almaty region) - development of transport and logistics services;
9. “Pavlodar” (Pavlodar region) – development of chemical and petrochemical industry.

There are also tax incentives on corporate income tax, land tax, property tax:

- Corporate income tax – (0%) rate;
- Land tax – 0% rate;
- Property tax – 0% rate;
- VAT – 0% rate on the territory of free economic zone for goods fully consumable in entity's activity in accordance with creation goals of free economic zone and in accordance with the list of goods estimated by the government of Kazakhstan
- Fee for the right to use the land – 0% rate, but not more than 10 years from the date of land provision.

Imports

Summary

Kazakh customs legislation is quite developed and, to a large extent, based on the World Customs Organization principles. Being a member-state of the Commonwealth of Independent States (CIS, which is the former Soviet Union except for the Baltic states), Kazakhstan has been contributing to the alignment and further development of customs rules and regulations across the entire CIS region. Similar to tax compliance issues, customs issues often require advance planning, and proper risk management in the current Kazakhstan environment.

According to the Kazakhstani customs statistics, in 2013, the main countries that imported goods to Kazakhstan were Russia (19.2%), China (15.5%), Italy (12.3%), France (5.4%), Netherland (4.9%), Germany (3.9%), Austria (3%), Canada (2.9%), USA (2.4%), and UK (2.3%).

Import restrictions

Import restrictions are regulated by Kazakhstan Government's Resolution № 681 dated July 10, 2003. According to the latter, it is prohibited to import weapons of any kind of military samples and ammunition, weapons of mass destruction, as well as materials and equipment that can be used to create weapons of mass destruction; narcotic drugs, psychotropic substances and precursors, as well as any equipment for their usage; printed and visual materials aimed at undermining the state and public order, promote war, terrorism, violence, racism and pornographic materials.

Customs duties

Goods are classified based on the Customs Tariff of the Customs Union, which took effect starting from January 1, 2010 and is generally based on the Harmonized System. The Customs Tariff is determined at the Customs Union level and is subject to changes upon unanimous approval by all Customs Union members.

Under the Customs Code of the Customs Union, the Binding Tariff Information (BTI) is established separately by each member of the Customs Union and is binding only for the issuing country within the next 3 years, unless the tariff changes. The Council of the Customs Union may avoid a particular BTI. All issued BTIs is be publicly available.

The customs value of goods should represent the price actually paid or payable for the goods under the sales terms (i.e., the so-called "transaction value of imported goods" method). The customs value of goods should include, among others, transportation costs, insurance, royalties (license), etc. Where a transaction for the delivery of goods is carried out between related parties, the customs authorities may potentially use other alternatives methods for determining the customs value of the imported goods based on customs valuation methods, as follows:

- On the basis of transaction value of identical goods;
- On the basis of transaction value of similar goods;
- Deduction of value;
- Addition of value;
- Reserve method (typically, applied based on statistical data or official publications).

There is no direct relation between the customs value methods and transfer-pricing methodology for the corporate income tax purposes; methods are deemed to be similar to the transfer-pricing methods in calculations, but disputes may arise. Advance Pricing Agreements are not currently binding for the customs authorities for the customs value purposes.

The importation of goods to Kazakhstan under the “free circulation” customs regime generally attracts import VAT at the current rate of 12%, import customs duties at rates ranging from 0% to 25% (in average; higher rates exist for certain goods) depending on the classification of a particular imported good, and excise duties (in case of importation of excisable goods).

In addition to import VAT, customs duties, and excise taxes (if applicable), importers/exporters incur a minimal customs processing fee of EURO 50 for the main page of a cargo customs declaration and EURO 20 per each supplemental page of a cargo customs declaration.

Import VAT, customs duties, excise taxes, and processing fees are payable at customs upon importation of goods to Kazakhstan. It is expected that the new intra-community VAT rules will be introduced within the Customs Union by January 1, 2015.

Trade Agreements

From 1 January 2010, Kazakhstan with the Russian Federation and the Republic of Belarus is functioning within the Customs Union. The main task of the Customs Union is to create a single customs territory, where customs duties and economic restrictions are not applied to goods originating from that territory, as well as to products from third countries that released into free circulation on it. At the same time, participating States apply common customs tariff and other common measures regulating trade with third countries.

Kazakhstan is not a member of the World Trade Organization (WTO); however the Republic of Kazakhstan is actively making steps to become its member. The process of accession of the Republic of Kazakhstan to the WTO began on January 26, 1996, when Kazakhstan has submitted an official application for membership to the WTO Secretariat in this organization. After many years of negotiations between the countries, Kazakhstan's accession to the WTO came into the final stage.

Business entities

Summary

In Kazakhstan foreign citizens may:

- establish a legal entity on the territory of Republic of Kazakhstan with 100% of foreign capital, or acquisition of an existing legal entity;
- establish a joint ventures or acquisition of a part of shares (share in the charter capital) of an existing legal entity;
- obtain a permission and sign a concession agreement, allowing the use of natural resources of Kazakhstan;
- establish other partnership forms not prohibited by current legislation of Republic of Kazakhstan.

According to the current legislation of Republic of Kazakhstan, foreign citizens may establish (or acquire) various forms of legal entities, their representation offices and branches. Foreign citizens may also carry out entrepreneurial activities on the territory of Republic of Kazakhstan as legal entities or as individual entrepreneurs. For some activities envisaged by the Law of Republic of Kazakhstan “On Licensing” a license may be required.

Joint Stock Companies

A Joint Stock Company (JSC) is a legal entity that issues shares to raise funds for its activities. Shareholders of Joint Stock company are not liable for its obligations and bear the risk of losses associated with the company's activities within the value of their shares, except the cases stipulated by the legislative acts. Joint Stock company may be created by one person or consist of one person in the case of acquisition of shares by one shareholder of the society, unless otherwise stipulated by the legislative acts. The number of shareholders of an open Joint Stock Company is unlimited. The minimum charter capital is 50,000 times the monthly calculation index (MCI) (approximately USD 535,760), which should be paid within 30 days from the date of its legal registration.

According to Article 78 of the Law of Republic of Kazakhstan “On Joint Stock Companies” annual audit of the financial statements of Joint Stock Company is required.

Limited liability companies

A Limited Liability Partnership (LLP) is an economic entity founded by one or more participants with charter capital divided into shares set forth by charter documents. Founders of a company are not liable for the company's obligations and shall bear responsibility for the risks of losses connected with company's activity within the value of their shares. The number of founders of LLP is unlimited.

Limited Liability Partnership may be reorganized into another business partnership, Joint Stock Company, or a production cooperative.

Representative offices and branches

Currently, the entrepreneurial activities of foreign companies in Kazakhstan are actively focused on steady expansion of the external markets for their products and services and, therefore, a significant number of foreign branches and representative offices appeared in Kazakhstan.

Article 42 and Article 43 of the Civil Code of the Republic of Kazakhstan regulate the procedure for creating, organizing and the legal status of branches and representative offices of the legal entities.

According to Article 43 a representative office is a special subdivision of a legal entity located beyond its place and ensures protection and representation of legal entity's interests, making transactions and other actions on its behalf. Generally, a representative office may not conduct a commercial activity.

A branch is a special subdivision of a legal entity located beyond its place and fully or partially performing its functions, in particular can carry out commercial activity.

Branches and representative offices are not separate legal entities. However, branches and representative offices must complete state registration.

Registration

State registration of the establishment, reorganization and liquidation of a legal entity, state registration of natural persons as individual entrepreneurs, cessation of their activities, state registration of the establishment and activity cessation of foreign legal entities' branches and representation offices, maintenance of the Single State Register of Legal Entities and Individual Entrepreneurs and amendments thereto are regulated by the Law of RoK On State Registration of Legal Entities and Registration of Branches and Representative Offices" adopted on April 17, 1995. State registration of new companies is performed based on a «one-stop-shop» principle.

Pack of documents should be submitted to the Public Service Centre (TSON). As per the law registration process takes from 3 working days to 1 month depending on type of an entity.

For state registration of a legal entity the following documents must be submitted to a state registration authority:

- application for state registration of a legal entity in an approved form;
- solution of a legal entity to establish a branch (representative office), sealed by an authorized person;
- the position of the branch (representative) in triplicate in the state and Russian languages, approved by an authorized person;
- a copy of the charter and the certificate on state registration of legal entities;
- authorization of legal entity (except for public and religious associations) issued by the head of the branch (representative);
- documents confirming payment of fee for state registration of legal entity.

Registration of branches and representative offices of foreign legal entities shall be in accordance with the laws of the Republic of Kazakhstan for the registration of branches and representative offices of legal entities. In addition to the documents listed above, legalized extract from the commercial register or other documents of a legalized foreign entity confirming that the foreign legal entity which is creating a branch (representative office), is a legal entity under the laws of a foreign state must be submitted.

Documents of the foreign legal entity, creating a branch (representative office) shall be submitted with a notarized translation into the state and Russian languages.



Labour

Summary

The economically active population increased in 2013 year by 44.8 thousand individuals or 0.5% and made up 9 mln people as of December 31, 2013. The number of employed has people increased by 272.1 thousand people or 3.2% as of December 31, 2013.

Besides, the number of unemployed people reduced by 5.4 thousand and made 470.9 thousand people as of December 31, 2013. The unemployment level currently makes 5.1% as of December 31, 2013.

Wages

Average monthly nominal wage accrued to employees in December 31, 2013 was 109,141 tenge (717 USD, at rate 1 USD = 152.1 KZT), growth compared to December 2012 comprised 8 %.

Pensions

Average pension amount is 31,918 tenge (209 USD, at rate 1 USD = 152.1 KZT). State paid basic pension is 19,066 tenge (125 USD, at rate 1 USD = 152.1 KZT). For men pension age is 63, for women 58 as of December 31, 2013.

Fringe benefits

Vacation pay

Employees are granted an annual paid leave and social leave. Annual paid leave is available for an employee to have a rest, to strengthen his/her health and other personal need and provide a certain number of days with the preservation of job and the average wage. Annual paid leave to employees shall be granted twenty-four calendar days if more days are not provided by other regulations, employment and collective agreements and the acts of the employer. Under the social worker's release means the release from work for a certain period in order to create favorable conditions for maternity, child care, on job education, and for other social purposes. Social leave can be: leave without pay, educational leave, leave for the birth of child (children), adoption the newborn child (children).

Maternity leave

Usually, maternity leave is 126 days (70 days before and 56 days after child delivery). In case of complications in birth, or the birth of two or more children the leave is extended to 140 days (70 days before and 70 days after child delivery). Employees taking care of a child under 3 (father, mother, grandparents or other members of the family) can benefit from a parental child-keeping leave while retaining their positions.

Sick pay

Employee has right to take sick leave by providing medical certificate after returning to work. This leave is paid by calculating average of total paid wages over total worked hours.

Employment protection legislation

Labour relations in the Republic of Kazakhstan are governed by the Labour Code adopted on May 15, 2007. This Code aims at regulating employment relations between employer and employee. According to the Labour Code, employment contracts are usually put in place for a minimum one year. A contract can be concluded for an indefinite term or for definite terms not less than a year in the following cases:

- at the time of replacement of a temporarily absent employee;
- at run-time seasonal work;
- at the time when a second employment contract is concluded with an employee who had earlier concluded a fixed-term contract.

Employee verification period for seasonal workers is not set.

Personnel limitations - foreigners/nationals

Employers may attract foreign specialists on the basis of quota set by Kazakhstani Government. There are several types of permits to work depending on required position. Authorised body issues permit to work in case if there is no appropriate candidate to cover certain position among Kazakhstani citizens. Permit to work is valid for 12 months for General Directors, department Managers, with the right of prolongation for 12 months no more than twice. For qualified workers and seasonal workers permit to work is granted for 12 months without right of prolongation.

Financial reporting and audit

Summary

Kazakhstan has quite advanced financial reporting environment (IFRS adopted since 2001) and strict auditing requirements (ISA adopted since 2009).

Domestic corporations

Joint Stock Company is a legal form of public entity in Kazakhstan.

Filing/publication requirements

According to legislation Joint Stock Companies have to file with publicly available resources (www.dfo.kz) their audited financial statements approved by shareholders within five months after the reporting date.

Accounting standards

Republic of Kazakhstan fully implemented IFRS as national accounting standards since 2005. Large entities and public companies in Kazakhstan must use IFRS.

Audit requirements

Audits are performed in compliance with the Law of the Republic of Kazakhstan “On Audit Activity” and International Standards on Auditing (ISA), to the extent they do not contradict Kazakhstan legislation.

Branches of foreign companies

Branch of foreign company is a representation of a foreign legal entity in Kazakhstan. Branches are not considered as local legal entities but rather an extension of the head office (wherever the head office may be located), which operates under the resolution of the legal entity's authorized body on establishment of the branch and on approval of its bylaws.

Filing/publication requirements

There are no requirements to file any accounting/financial reporting, except for tax reporting, which is based on accounting.

Accounting standards

Small and medium-size enterprises, branches and representative offices of foreign entities may use IFRS or national financial reporting standards.

Audit requirements

Audits are performed in compliance with the Law of the Republic of Kazakhstan “On Audit Activity” and International Standards on Auditing (ISA), to the extent they do not contradict Kazakhstani legislation.

Tax

Summary

Tax legislation of the Republic of Kazakhstan is based on the Constitution of the Republic of Kazakhstan, and consists of the Tax Code and normative legal acts adopted according to the Tax Code.

If an international treaty ratified by the Republic of Kazakhstan establishes rules other than those contained in the Tax Code, the rules of the said agreement shall apply.

Tax legislation is constantly amended. In some respect the fiscal legislation in Kazakhstan is controversial.

All taxes and fiscal payments are the same in each region of Kazakhstan, except for special economic zones.

The tax year in Kazakhstan is a calendar year. Due dates differ depending on the tax and they are non-negotiable.

Corporate Income Tax (CIT)

Corporate Income Tax advance payments

CIT advance payments are due every 25th day of the month.

Taxpayers with aggregate annual income during the tax period preceding the previous tax period of less than 325,000 times the amount of the MCI established for the relevant financial year (approximately USD 3.72 million) are exempt from the obligation to calculate and pay CIT advance payments.

Base for CIT

Taxable income is the difference between aggregate annual income after adjustments and deductions allowed by the Tax Code of RoK.

Gross income includes income from sales of goods/works/services and interest received from loan agreements, dividends, income from leasing, property received free-of-charge, income from the increase in value and other income.

The Tax Code of RoK provides certain types of income which are not subject to CIT, such as:

- the cost of property received as a contribution to charter capital;
- dividends received from resident companies;
- gain from excess of value of treasury stock over face value from sale of treasury stock;
- gain from the sale of stocks and obligations, which qualify as A and B lists on the Kazakhstan Stock Exchange;
- yield from operations with government securities;
- value of property received as a humanitarian assistance in case of emergency;
- value of fixed assets received by a state enterprise from a state institution on the basis of a decision of the Government of the Republic of Kazakhstan;
- investment income received in accordance with the pensions legislation and allocated to personal pension accounts and other.

The following deductions are included in deductible expenses in CIT:

- compensation for goods or services by the taxpayer to be used for the business purposes;
- any expenses in connection with interest and assessments;
- any current expense in connection with scientific, project and other researches;
- foreign exchange losses and other.

Use of losses

Generally losses from business activity incurred from year 2009 are carried forward up to 10 years.

However, losses accumulated before year 2009 shall be carried forward for 3 years only.

Filing of tax returns

Tax Code of the RoK determines that legal entities should file CIT returns not later than March 31 of the year following the tax period.

Payment of CIT

Payment of any outstanding CIT liabilities is required within ten calendar days following submission of the annual CIT declaration (i.e. 10 April).

Taxation of non-residents

Income of non-resident entities which carry on business in Kazakhstan through a permanent establishment is subject to taxation under the same rules as income of Kazakhstan residents.

Therefore, if a non-resident entity carries on business in Kazakhstan through a permanent establishment located in Kazakhstan, its income attributable to activities or assets of such permanent establishment is subject to taxation in Kazakhstan on a basis 20% rate.

However, additionally, permanent establishment of non-resident is subject to the branch profit tax at the rate of 15%.

Withholding taxes

Base for Withholding Tax (WHT)

In the absence of permanent establishments in Kazakhstan foreign companies which rendered their activities in the Republic of Kazakhstan are subject to WHT.

WHT applies on the income received from the source of Kazakhstan. Tax agents should withhold the corporate tax from gross income of a non-resident received from the source of Kazakhstan.

Rates of WHT

The general WHT rate is 20%. However, there are some other incomes taxed at the following rates:

- Dividends, royalties, interests – 15%;
- Insurance payments made under risk insurance contracts – 15%;
- Insurance payments made under reinsurance contracts – 5%;
- Income from international transportation services – 5%.

Filing of tax returns

Generally, according to the legislation of the RoK taxpayers should submit the withholding tax returns not later than 15th day of the second month following the quarter when the WHT obligation arose.

Payment of WHT

The payment of WHT is made by taxpayers not later than 25 calendar days following the month when the payment to non-resident was made.

Effect of treaties

The non-resident entities which receive income from the sources in Kazakhstan are allowed to apply provisions of the double tax treaties which allows, in certain cases, release from corporate income tax and personal income tax.

Kazakhstan has entered into bilateral treaties for the avoidance of double taxation with 50 countries.

Individuals

Base for Personal Income Tax (PIT)

Individuals, tax residents and non-residents of the RoK, are payers of personal income tax (PIT). Taxable income includes income taxable at the source of payment and income not taxable at the source of payment.

The following types of income shall be recognised as income taxable at the source of payment:

- ✓ employee income;
- ✓ an individual's income from a tax agent;
- ✓ pension payments from pension savings funds;
- ✓ income in the form of dividends, interest and winnings;
- ✓ scholarships;
- ✓ income under cumulative insurance agreements.

Income not taxable at the source of payment shall include the following:

- ✓ property income;
- ✓ the income of individual entrepreneurs;
- ✓ the income of private notaries, private court officers and advocates;
- ✓ other types of income.

Tax rates

Local individuals are generally taxed at 10% PIT rate.

The employer should pay social tax at a rate 11% from the gross income of all employees including indirect benefits.

The employer also should withhold 10% from the employee's salary and this amount must be transferred to Uniform Accumulative Pension Fund (UAPF). In accordance with the tax legislation the monthly income accepted for calculation of obligatory pension contributions, should not exceed the 75 minimum salaries, which was set for 2014 at 19,966 tenge.

Social contributions are fiscal payments which should be transferred by the employer to special social fund. The rate of social contributions is 5% from the individual gross income. The monthly income accepted for calculation of social contributions shall not exceeded 10 minimum salaries.

The tax period for calculating personal income tax on income taxable is the calendar month.

Dividends

PIT on dividends paid to individual residents shall be 5%. However, non-resident individuals are charged with PIT of 15%.

Residence criteria

For tax purposes, foreign individuals are considered as tax residents if their presence in Kazakhstan exceeded 183 calendar days in any consecutive 12-month period ending in the current tax year.

Taxation of non-residents

The taxation of individual non-residents is similar to the taxation of residents of Kazakhstan; however, application of deductions is not allowed.

Filing of tax returns

Individuals shall file PIT returns on income not taxable at source of payment by March 31 of the year following the taxation year.

However, employee income and corresponding PIT liability from the income taxable at the source of payment shall be declared on quarterly bases by the tax agent – employer – not later than 15th day of the second month after the end of each quarter.

Payment date

The date of payments to the budget of Kazakhstan of PIT on income taxable at source of payment shall be due not later than 25th day of the month following the month in which income was paid.

Final payment of the PIT from the income not taxable at the source of income shall be not later than 10 calendar days after filing PIT declaration – 31 March.

Value Added Tax/Sales tax

Base for Value Added Tax (VAT)

VAT is calculated as the difference between VAT output and VAT input. The difference between them is defined as VAT payable and it due to the RoK budget.

VAT is generally paid on:

- on sale of goods or services, if the place of provision is regarded to be Kazakhstan;
- on the goods or services which are imported to Kazakhstani territory.

Taxpayers are required to register for Kazakhstan VAT purposes if their total turnover in a calendar year exceeds 30,000 MCI.

Rates

The current rate of VAT is 12%.

Zero VAT tax rate is generally applied to the following activities:

- export sales of goods and services;
- international transportation services;
- economic zones and other.

There are certain turnovers, which are exempted from VAT:

- qualified financial services;
- turnover from the service in the spheres of culture, science and education;
- import of certain assets, the list of which is approved by the Government;
- turnovers connected with land and housing resources;
- exploration works;
- sales of enterprise;
- goods and services in the sphere of medical and veterinary activity and other.

Filing of tax returns

The tax period for VAT returns is quarter. Submission of VAT declaration is due by the 15th day of the second month following the reporting tax period.

Payment date

The date of VAT payments in the budget of Republic of Kazakhstan is carried out due to 25th day of the second month following the reporting tax period.

Property tax

Base for property tax

Generally, property tax is applied to immovable property.

The tax for property tax for legal entities is 1.5% of the value of the property subject to the named tax.

Filing of tax returns

Generally, taxpayers should file a statement of current payments and a declaration with the tax bodies at the location of the objects of taxation.

A statement of current payments of property tax shall be filed on or before 15 February of the reporting tax period.

Following a change to property tax obligations during a tax period, a statement of current payments shall be filed on or before 15 February, 15 May, 15 August and 15 November of the current tax period for objects of taxation as at 1 February, 1 May, 1 August and 1 November accordingly.

A declaration shall be filed on or before 31 March of the year following the reporting year.

Payment date

Taxpayers, except individual entrepreneurs applying the special tax regime based on a patent, shall make current payments of tax in equal amounts on or before 25 February, 25 May, 25 August and 25 November of the tax period.

A taxpayer shall make a final payment of property tax no later than 10 calendar days after the deadline for filing a declaration for the tax period.



Contact details

Grant Thornton LLP

Almaty, Kazakhstan
Al-Farabi ave. 15, BC “Nurly Tau”,
Block 4V, Office 705
T: +7 (727) 311 13 40
W: www.grantthornton.kz
www.gti.org

Yerzhan Dossymbekov

Managing Partner
T: +7 (727) 311 13 40
E: yerzhan.dossymbekov@gtkaz.com





© 2014 Grant Thornton Kazakhstan. All rights reserved.

"Grant Thornton" refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires.

Grant Thornton Kazakhstan is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms.

GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

Please visit www.grantthornton.kz for further details