



KAZNEX INVEST National Export and Investment Agency
Ministry for Investment and Development

Investment-friendly Kazakhstan



Basic Facts



National Flag



National Emblem

- Area: 2,724,000 km²
1,051,742 sq mi, 9th largest
- Population: 17,753,200
- Official language: Kazakh, Russian
- Currency: Tenge (KZT)
- Capital: Astana
- Administrative division: 14 regions + 2 cities of republican significance
- Member of organizations: UN, IMF, WB, OSCE, OIC, WTO

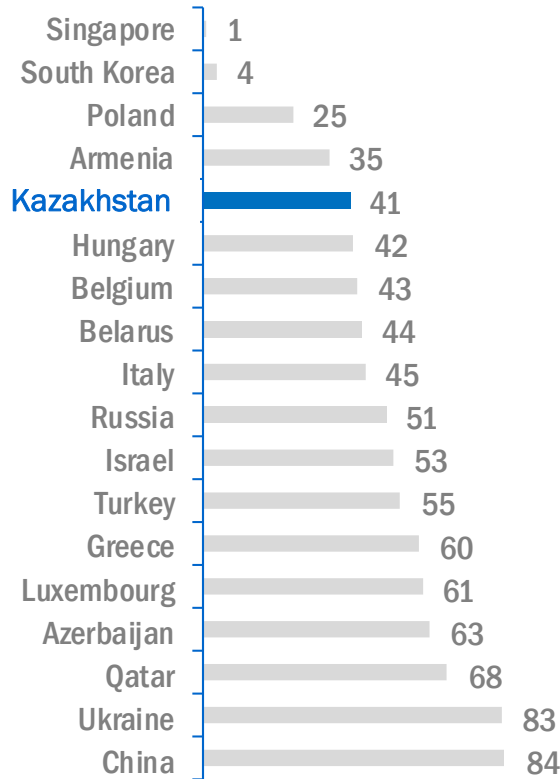


Economy



DOING BUSINESS 2016

Kazakhstan ranked **41st**



Protecting minority investors

Rank	Country
1	Singapore
8	South Korea
20	Turkey
25	Kazakhstan
36	Azerbaijan
49	Armenia
57	Belgium
66	Russia
81	Hungary
134	China

Paying taxes

Rank	Country
1	UAE
5	Singapore
18	Kazakhstan
34	Azerbaijan
41	Armenia
47	Russia
61	Turkey
90	Belgium
95	Hungary
132	China

Source: [World Bank, Doing Business 2016](#)



GLOBAL COMPETITIVENESS INDEX RANKINGS

Rank	Country	Score
1	Switzerland	5,76
2	Singapore	5,68
3	USA	5,61
4	Germany	5,53
5	Netherlands	5,50
6	Japan	5,47
...
42	Kazakhstan	4,49
45	Russia	4,44
51	Turkey	4,37
80	Tajikistan	4,03
102	Kyrgyz Republic	3,83

Source: [World Economic Forum, Global Competitiveness Report 2015-2016](#)



Economy

TAXATION: COMPARISON WITH CHINA AND RUSSIA

TAXES

	Kazakhstan	Russia	China
Corporate income tax (CIT)	20%	20%	25%
Value-added tax (VAT)	12%	18%	17%
Land tax	from 0.03 to 0.16 USD per 1 sq.m (10.8 sq.ft);	0.3%, 1.5%	-
Property tax	1.5%	2.2%	1.2% assessed value; 12% rental property.

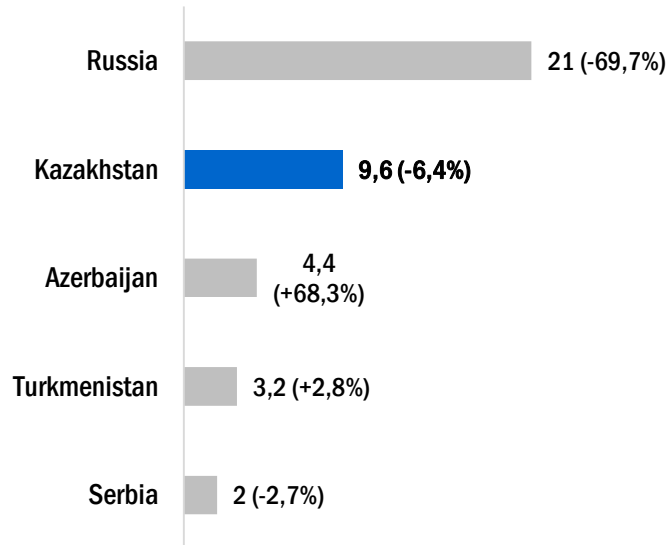
Source: Ministry of Finance of the RK; Federal Tax Service of Russia; State Administration of Taxation of the People’s Republic of China



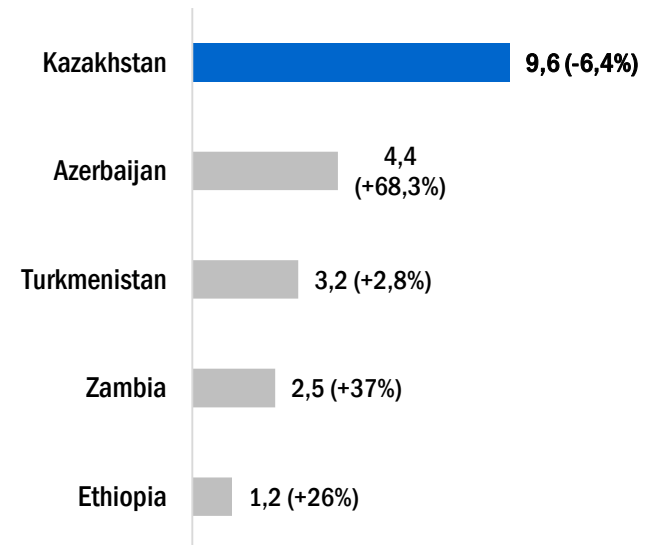
Economy

FDI ATTRACTION

Top 5 host economies, FDI inflows
Transition economies, 2014, \$ bln. (change)



Top 5 host economies, FDI inflows
Landlocked developing countries, 2014, \$ bln. (change)



According to the UNCTAD, in 2014 Kazakhstan has entered top 5 host economies for FDI inflow among transition economies and became the largest FDI recipient in the landlocked developing countries group. Among all countries Kazakhstan was ranked the **28th**.

Source: UNCTAD, World Investment Report 2015



Priority sectors

1 Metallurgy

1. Ferrous metallurgy
2. Non-ferrous metallurgy

2 Chemical Industry

3. Agricultural chemistry
4. Production of chemicals for industry

3 Petrochemical Industry

5. Petrochemical industry

4 Machinery

6. Manufacture of motor vehicles
7. Electrical equipment

5 Food Industry

8. Food production

Measures of state support of investors

	Basic package: In 283 activities *	Special package: On 95 activities *	Investment incentives in SEZ
EXEMPTION FROM CUSTOMS DUTIES and import VAT on UP TO 5 YEARS: <ul style="list-style-type: none"> • technological equipment with attributable components; • spare parts, raw materials and (or) materials 	+ <i>(Import VAT comes into force from January 1, 2017)</i>	+ <i>(Import VAT comes into force from January 1, 2017)</i>	+ <i>(Import VAT is not applicable to incentives of SEZ)</i>
STATE IN-KIND GRANT <ul style="list-style-type: none"> •Gratuitous use of machines and equipment, computers, vehicles, manufacturing equipment incl .: Land and buildings •Not more than 30% of the total investment in fixed assets 	+	+	-
FISCAL INCENTIVE The 0% of rate of tax: <ul style="list-style-type: none"> •corporate income tax • property tax • land tax 	-	+	+
EXEMPTION FROM VAT <ul style="list-style-type: none"> •Up to 0% marginal rate of tax depreciation • 30% social tax for 5 years in the SEZ "PIT" 	-	-	+
CASHBACK ON INVESTMENTS Reimbursement up to 30% of the actual costs of construction and installation works and purchase of equipment	-	+	-
STABILITY OF LEGISLATION <ul style="list-style-type: none"> • Tax laws; • Legislation on employment in the field of attracting foreign labor. 	-	+	-
FOREIGN LABOR Hiring of foreign workers without permits	-	+	-
OTHER INCENTIVES Provision of free land for the whole period of SEZ existence Simplified procedure for the recruitment of foreign labor	-	-	+

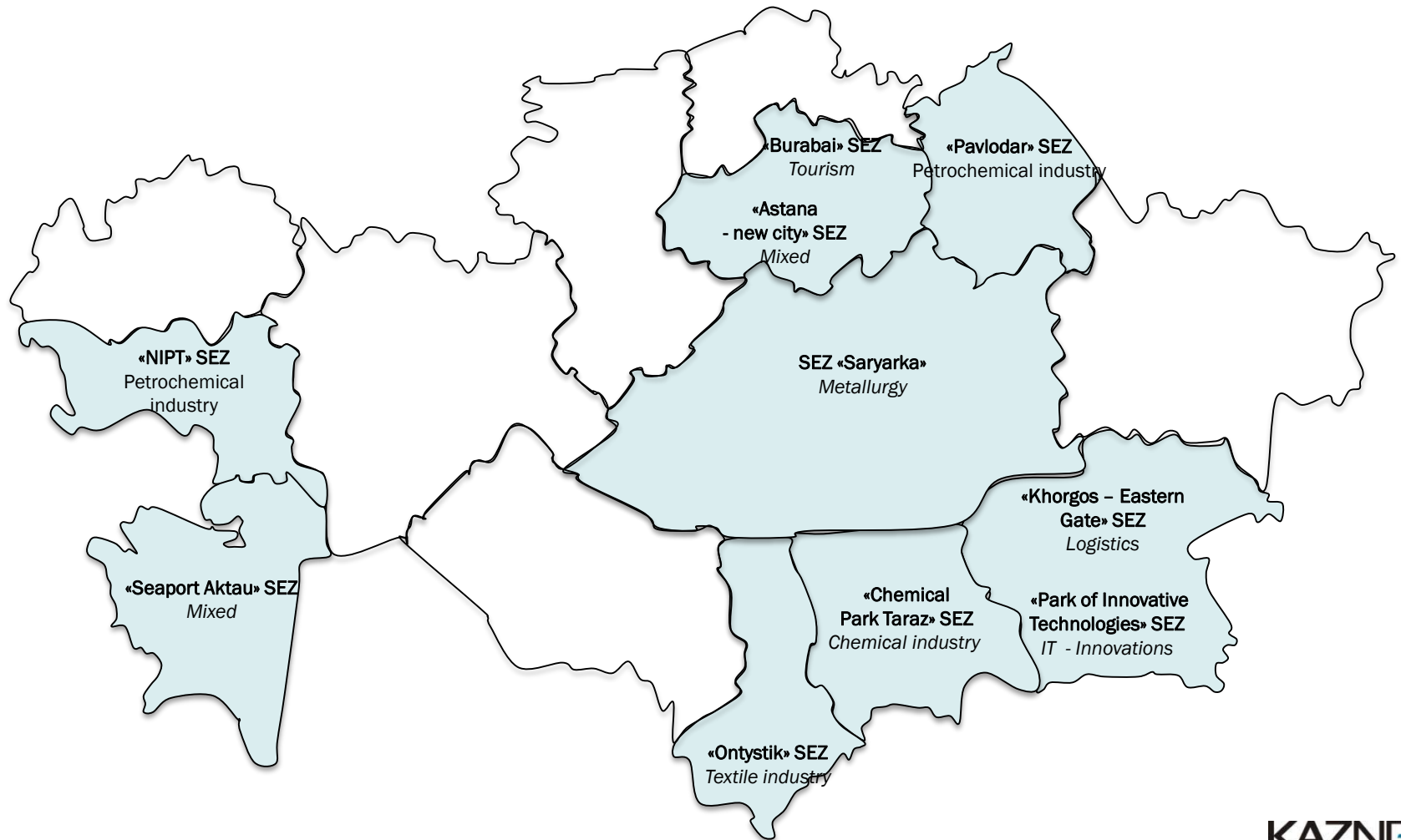
* Must fit to activities included in the list of priority activities, approved by the Governmental Decree of January 13, 2016 №13.

* The newly created legal entity of RK, state registration not earlier than 24 days months before the application for investment preferences with investment volume not less than 2 millions of MCI



Investment

SPECIAL ECONOMIC ZONES

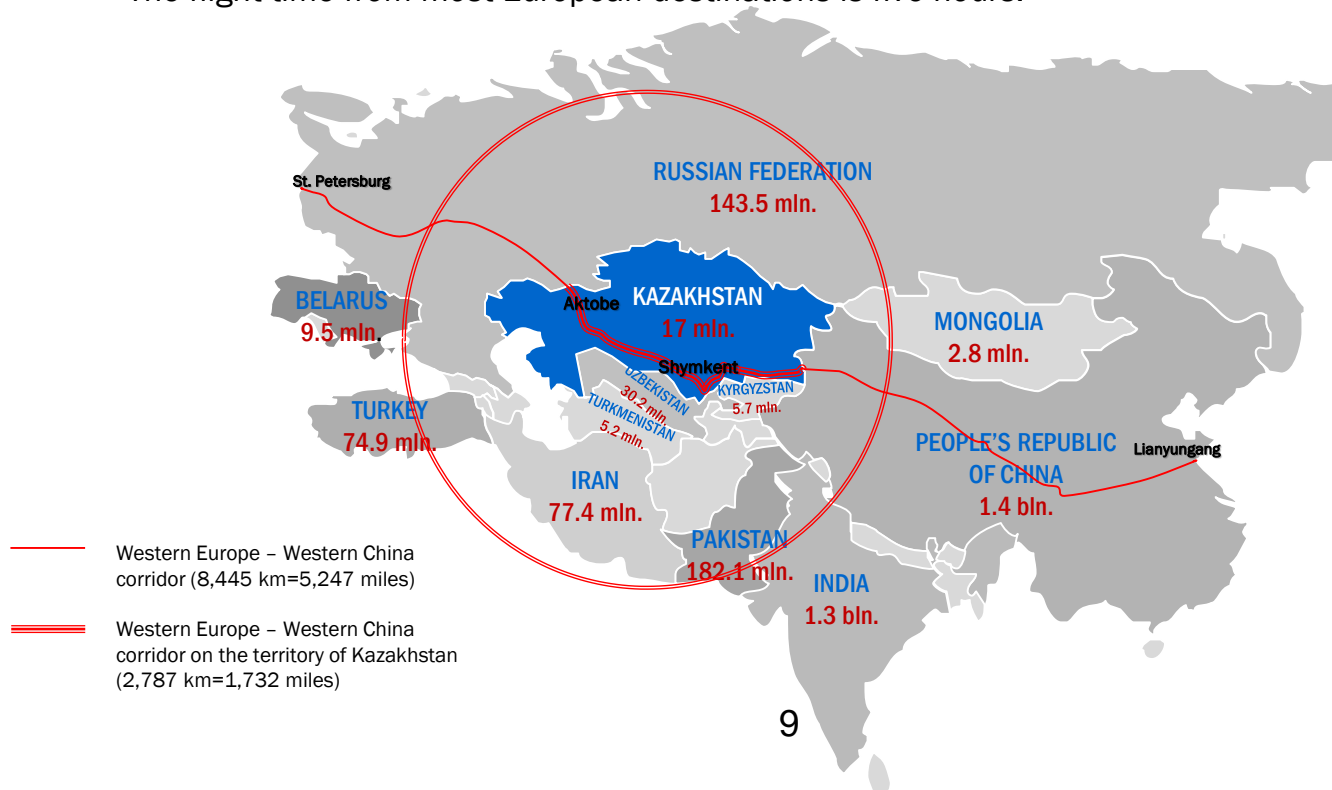




Infrastructure

LOCATION AND INFRASTRUCTURE

- The Kazakhstan's geographical position makes it a natural crossroads for major transit corridors from East to West, from North to South.
- The transcontinental automobile road corridor "Western Europe – Western China" passes through the territory of Kazakhstan. The corridor will allow to deliver freights from China to Europe in 10 days.
- There is a territory with population of more than 3.3 bln. people within a radius of 2 thsd. km (1,243 miles) from Kazakhstan.
- The flight time from most European destinations is five hours.





Investment

SUCCESS STORIES





Useful Links



National Investment Internet Resource
www.invest.gov.kz



National Agency for Export and Investment KAZNEX INVEST
www.kaznexinvest.kz



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National Export & Investment Agency “KAZNEX INVEST”
Ministry of Investment and Development

**Thank you
for your attention**