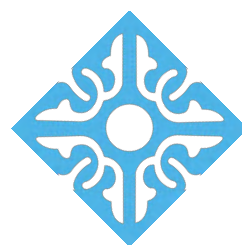




Why invest in Kazakhstan

Kazakh Invest



INVEST KAZAKHSTAN
THE LAND OF GREAT OPPORTUNITIES

www.invest.gov.kz

KAZAKHSTAN IN A NUTSHELL

9th

largest country

Bordering *Russia, Kyrgyzstan, Turkmenistan, Uzbekistan, China*

- More than 80% of land (220 million hectares) is used for agricultural production
- **5th biggest** exporter of wheat globally.



Political, social and economic

STABILITY

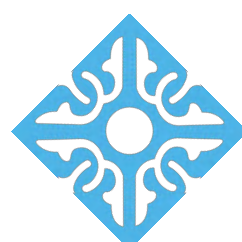
- Member of OSCE, WTO, UN, EAEU
- High economic growth since independence
- Social harmony since independence



Resource-rich

Almost all of the elements on the periodic table can be found in Kazakhstan's soil.

- A **global leader** in explored reserves of uranium, zinc, tungsten and barite
- **Second** in silver, lead and chromites
- **Third** in copper and fluorite
- **Fourth** in molybdenum
- **Fifth** in gold.



KAZAKHSTAN IN A NUTSHELL

KEY FACTS

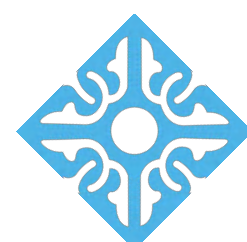
Population	18.2 million
Area	2.8 million sq. km
GDP	\$ 160 billion
Foreign trade turnover	\$ 77.7 billion
Inflation rate (CPI, 2016-17)	7.1%
Credit rating Fitch (BBB), Standard & Poor (BBB), Moody's (Baa3)	Stable
Doing Business ranking, 2019	#28
Life expectancy	77 years

**The largest economy in Central Asia
with a GDP of \$160 Billion**

(Source: World Bank, 2017)

**“A higher GDP than all other Central
Asian states combined”**

(The Revenge of Geography, Robert D. Kaplan)



WHY INVEST IN KAZAKHSTAN?



REASON 1. STRATEGIC LOCATION


A LAND BRIDGE between the world's two largest markets
Kazakhstan is a New Strategic Location at the Crossroads of Europe and Asia



Time-efficient cargo transportation

 **China-Europe-China**
St. Petersburg: 10 days
Hamburg: 16 days
London: 18 days

 **Western Europe-Western China Transcontinental Auto Expressway**
will allow products to be shipped between China and Europe in just 10 days.

 **Sea Ports Aktau and Kuryk**
Developed Sea Port infrastructure in other countries include **Batumi** (Georgia) and logistics terminal in the Pacific port of **Lianyungang** (China)

REASON 2. ESTABLISHED MARKET ACCESS

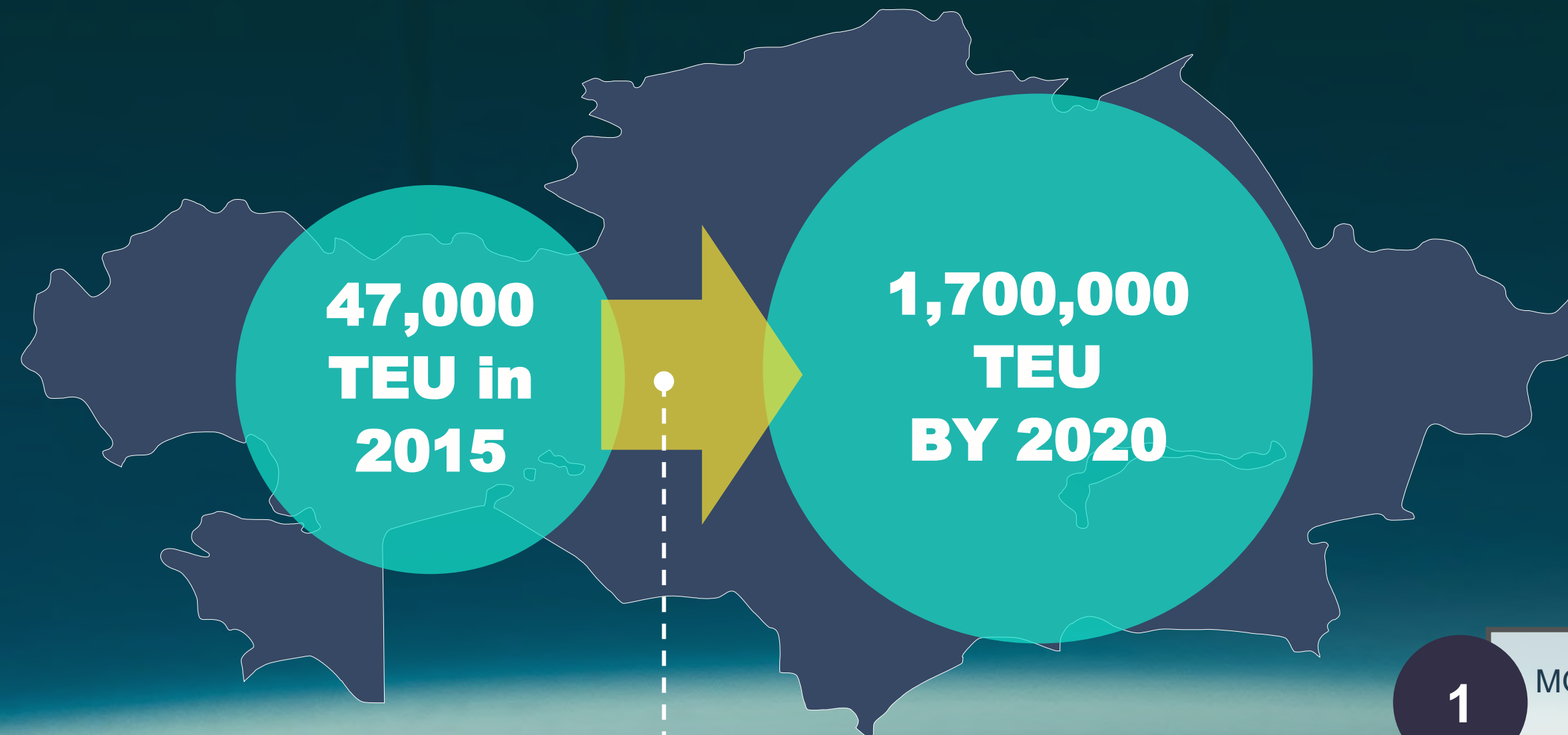
Preferential access to a regional marketplace of more than 500 million consumers, with a growing middle class

Preferential access to a common market of the Eurasian Economic Union with more than **180 million consumers**

- Central Asian markets (50 million)
- Western China (300 million)
- Caspian Sea Countries (150 million)

Kazakhstan plays a leading role in the realisation of the **Belt and Road Initiative**.

More than 3,000 km out of 10,000 km in total will run through Kazakh territory, making it an important stretch of the main land corridor and reducing the time and cost of transportation significantly.



EXPONENTIAL GROWTH IN TRANSIT VOLUMES TRANSPORTED VIA KAZAKHSTAN BY 2020

1

MORE THAN USD 9 BILLION OF INFRASTRUCTURE SPENDING IN ADDITION TO B&R FINANCING

2

MODERN AND EXPANSIVE TRANSPORTATION NETWORK

3

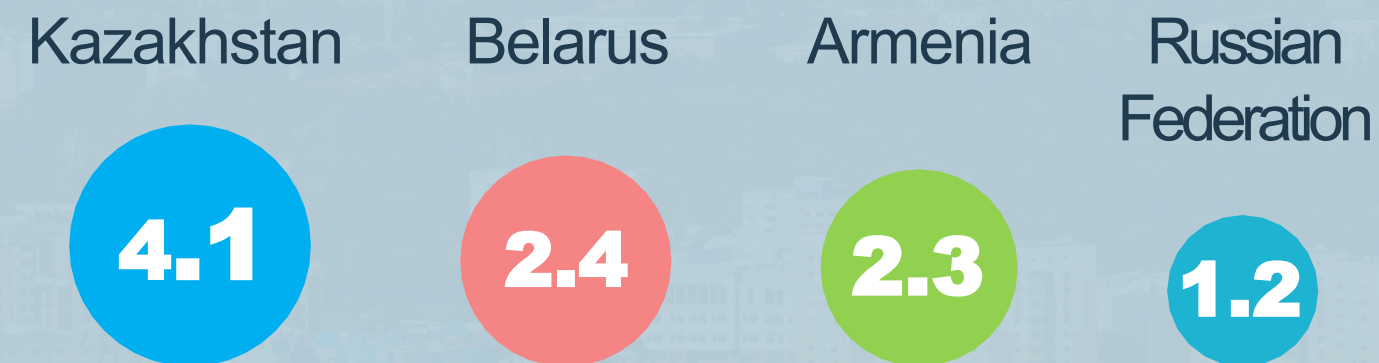
OPTIMIZED LEGAL AND REGULATORY INFRASTRUCTURE FRAMEWORK

REASON 3. ECONOMY AND GDP GROWTH

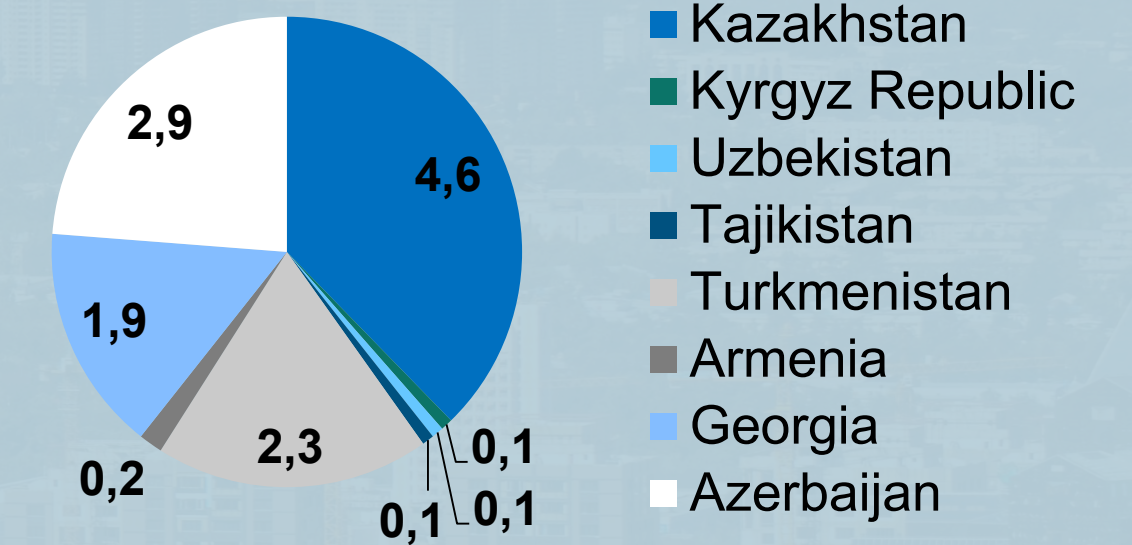


**LARGEST
ECONOMY
IN THE
CAUCASUS &
CENTRAL
ASIA (CCA)**

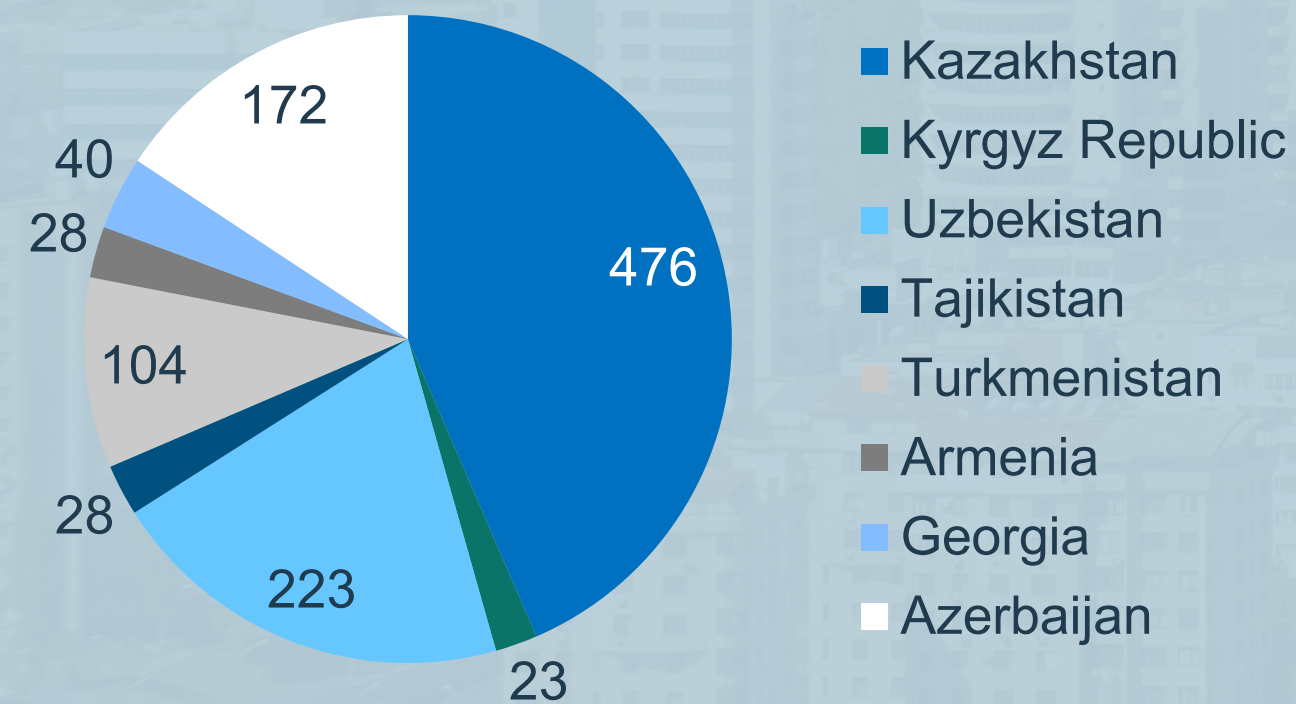
Average Annual GDP Growth
(%), 2008-2017



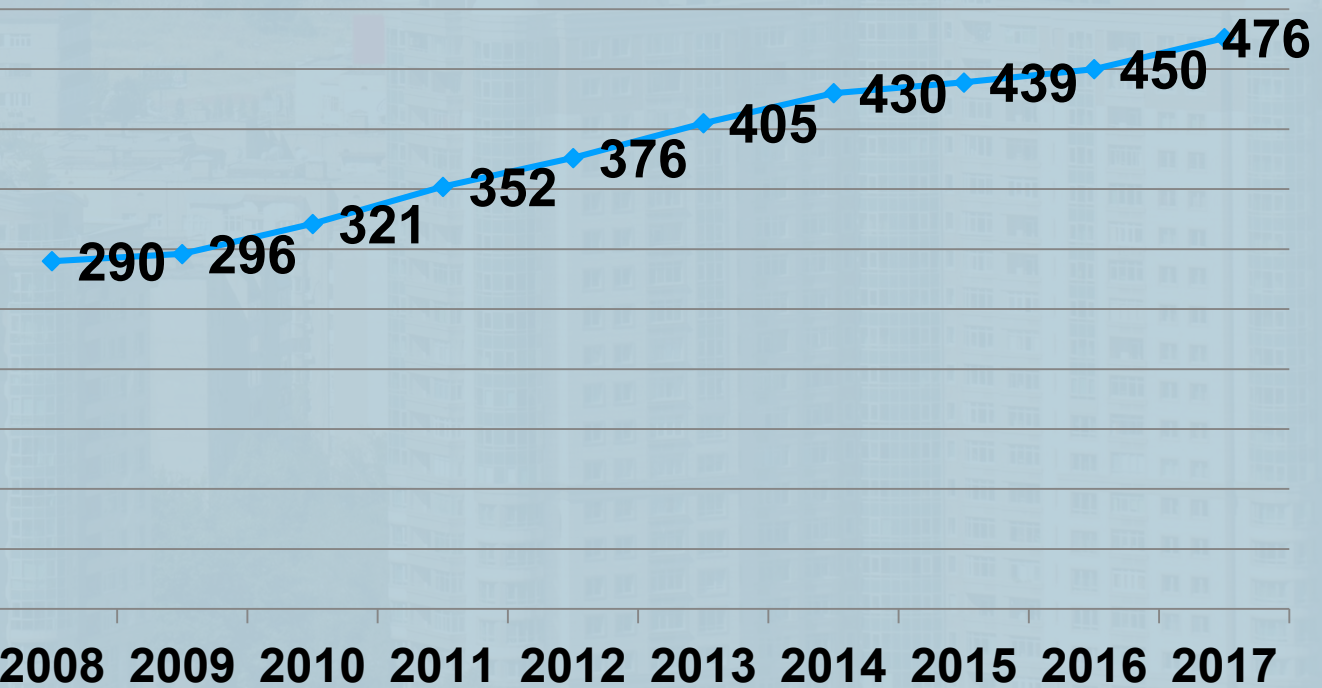
1st in the CCA for FDI - 2017



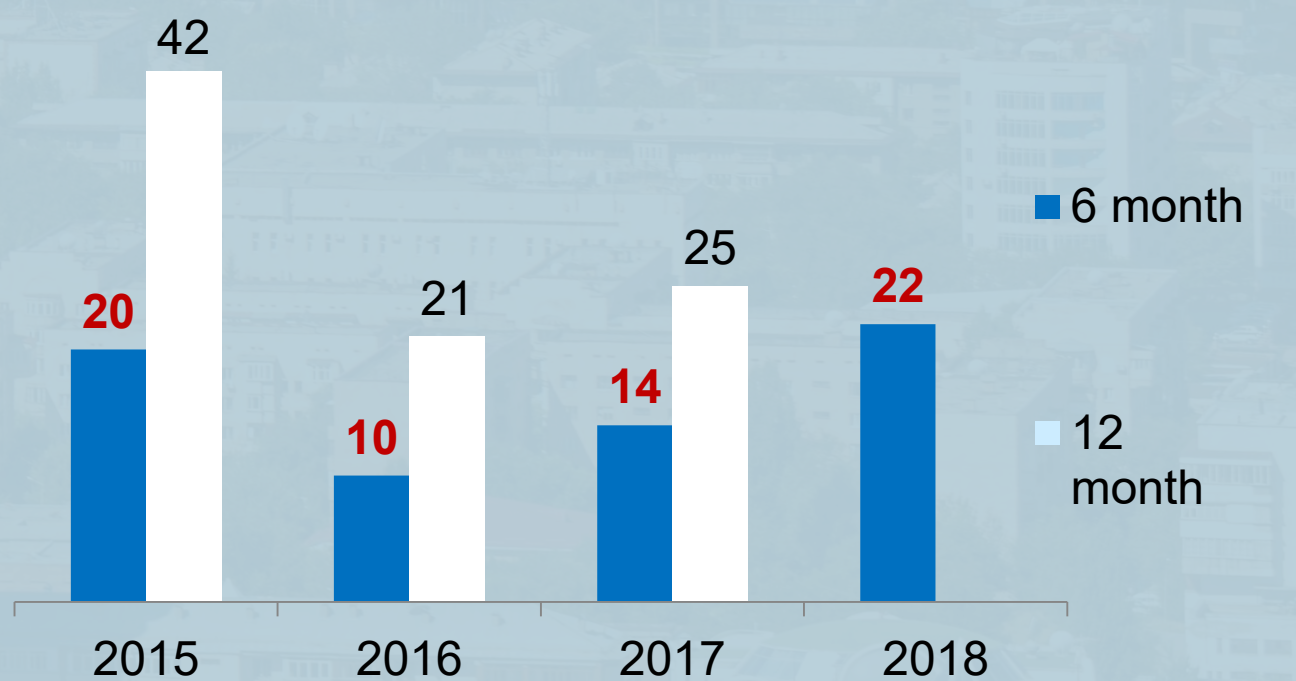
Share of GDP in the CCA
(2017 - PPP, billion \$)



Growth of GDP
(PPP, billion \$)



Announced FDI projects,
2015-2018



REASON 4. RULE OF LAW AND INVESTOR'S RIGHTS PROTECTION



AIFC Court and International Arbitration Center

Legally separate and independent from Kazakhstan's judicial system. It provides a common law court system that operates to the highest international standards to resolve civil and commercial disputes.



Special Proceedings for Investors' Disputes Resolution

- The Specialized Judicial Board of the Supreme Court of Kazakhstan
- The Court of Astana



Kazakhstan signed 47 bilateral and 1 multilateral investment treaties.

- Guarantee the rights and legal protection of investors;
- Guarantee the use of income;
- Regulation of investment dispute resolution



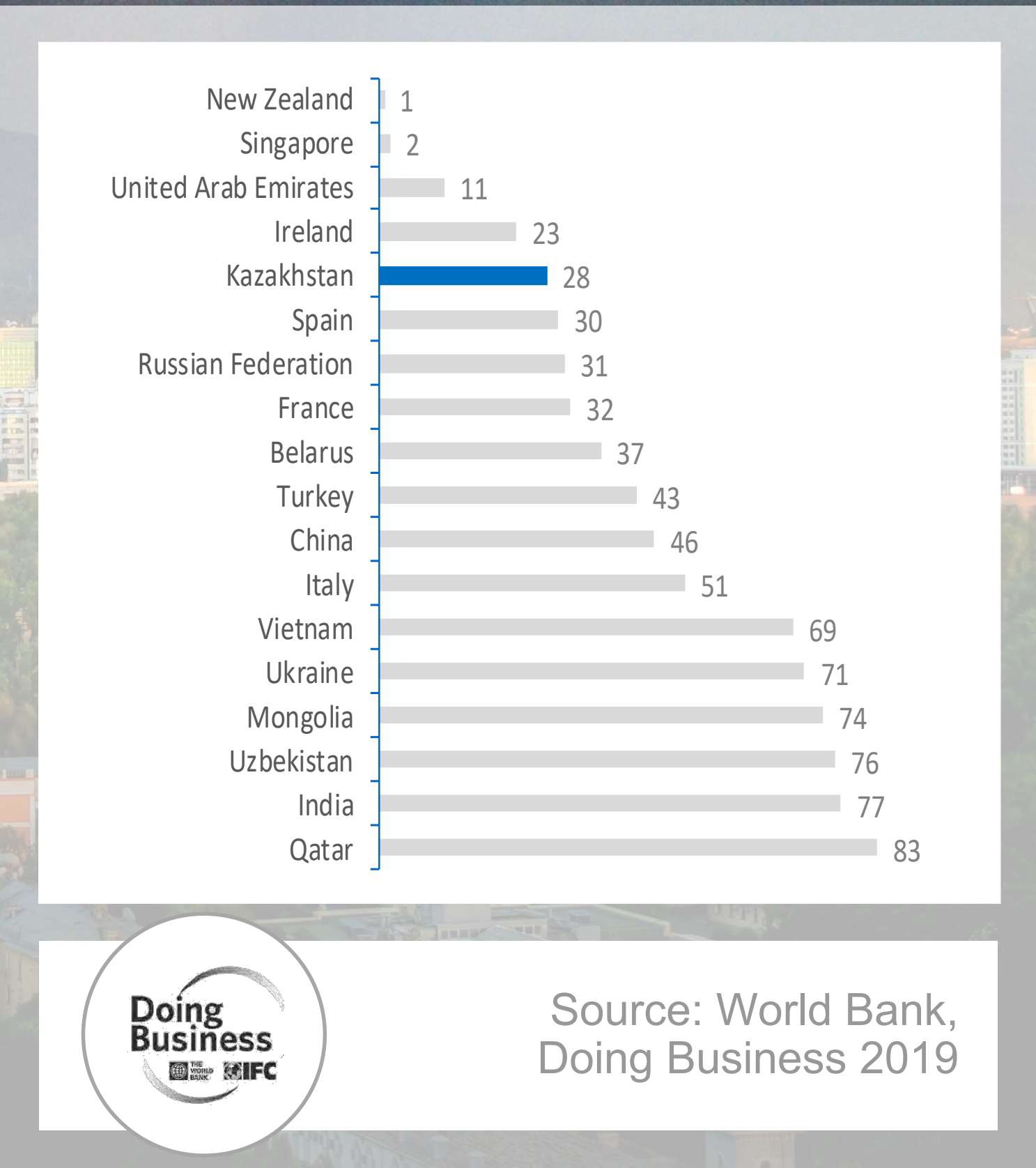
The AIFC Court provides a common law court system for the first time in Eurasia... The Justices are among the most experienced and distinguished judges from the common law world with global reputations for absolute independence, impartiality, integrity, unconditional application of the rule of law, and incorruptibility.



REASON 5. BUSINESS-FRIENDLY ENVIRONMENT

Kazakhstan is **28th** in the World Bank's Flagship Ranking (out of 190) and among **the most improving economies**

- #1 for minority investors' protection
- #4 for enforcing contracts
- Just 100 days to receive all construction permits (#35)
- 3 easy steps to register property in just 3 days (#18)
- 5 easy steps to start a business in just 5 days (#36)



	Total Tax and Contribution Rate (% of profit)			
THE MOST FAVOURABLE TAX REGIME IN THE REGION	Kazakhstan 29.4	Russia 46.3	Uzbekistan 48.17	China 64.9

REASON 6. TALENTED AND SKILLED LABORFORCE



29th

on the Human Capital
Development Index

Highly-skilled,
cost effective
workforce

Average monthly wages

Kazakhstan	Russia	China
\$416	\$548	\$701

Simplified procedures for employment.

Visa-free regime for the citizens of more than 65 countries include all OECD members

Kazakhstan has 128 higher education institutions, 8 of them were listed in the world's best universities ranking 2017/18.

Kazakhstan's universities partner with world-renowned institutions such as University of Cambridge, UCL, Duke University, Colorado School of Mines, The National and the University of Singapore

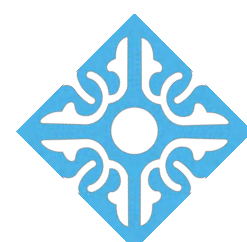
BOLASHAK International Scholarship

More than 10 thousand specialists have been trained in the world's top 100 universities:

8000 - for bachelor's and master's programs,

2140 - for PHD, internships and clinical residency.

Kazakhstan has the highest literacy rate in the region, most citizens are bilingual with good knowledge of English.



REASON 7. COMPREHENSIVE STRATEGIC VISION



REASON 8. ROBUST INFRASTRUCTURE

Over 14 million of Kazakhstan's 18 million citizens regularly [use the internet](#), a penetration rate of 77%, which is the [highest in Central Asia](#)

[House building](#) will reach **10 694 thousand square meters** by 2020

Kazakhstan has **24 Airports**. Astana hosts **126 international and 289 domestic flights** to international financial centres such as Frankfurt, London, Dubai, Hong Kong, Seoul.

Main pipelines
Total: 23 thousand km (15 thousand miles)
[Gas pipelines](#): 15 thousand km (9 thousand miles)
[Oil pipelines](#): 8 thousand km (5 thousand miles)

[Developed railway system](#) connecting Kazakhstan with neighboring states.

Most advanced [telecoms industry](#) in Central Asia with an extensive 4G network.

In 2018, the total volume of transshipment of Kazakhstan's [port infrastructure](#) in the Caspian Sea will exceed **9 million tonnes**.

Kazakhstan is #1 in Central Asia for [internet connectivity](#) (*Global Digital Report 2018*)



REASON 9. ATTRACTIVE INVESTMENT INCENTIVES

12 Special Economic Zones

FISCAL INCENTIVES

- Corporate income tax
- Land tax
- Property tax
- Exemption from customs duties

NON-FISCAL INCENTIVES

- Free plot of land
- Simplified procedure for employment of foreign labor
- Ready infrastructure on "plug-and-play" basis

0%

**SEZ have sectoral focus*



22 Industrial Zones

- Access to established infrastructure and digital networks
- Options for long-term leases and repayment schedules based on cadastral land value
- No sectoral restrictions
- Opportunity to conclude Investment contract with the Government

Investment Contract

NON-FISCAL INCENTIVES

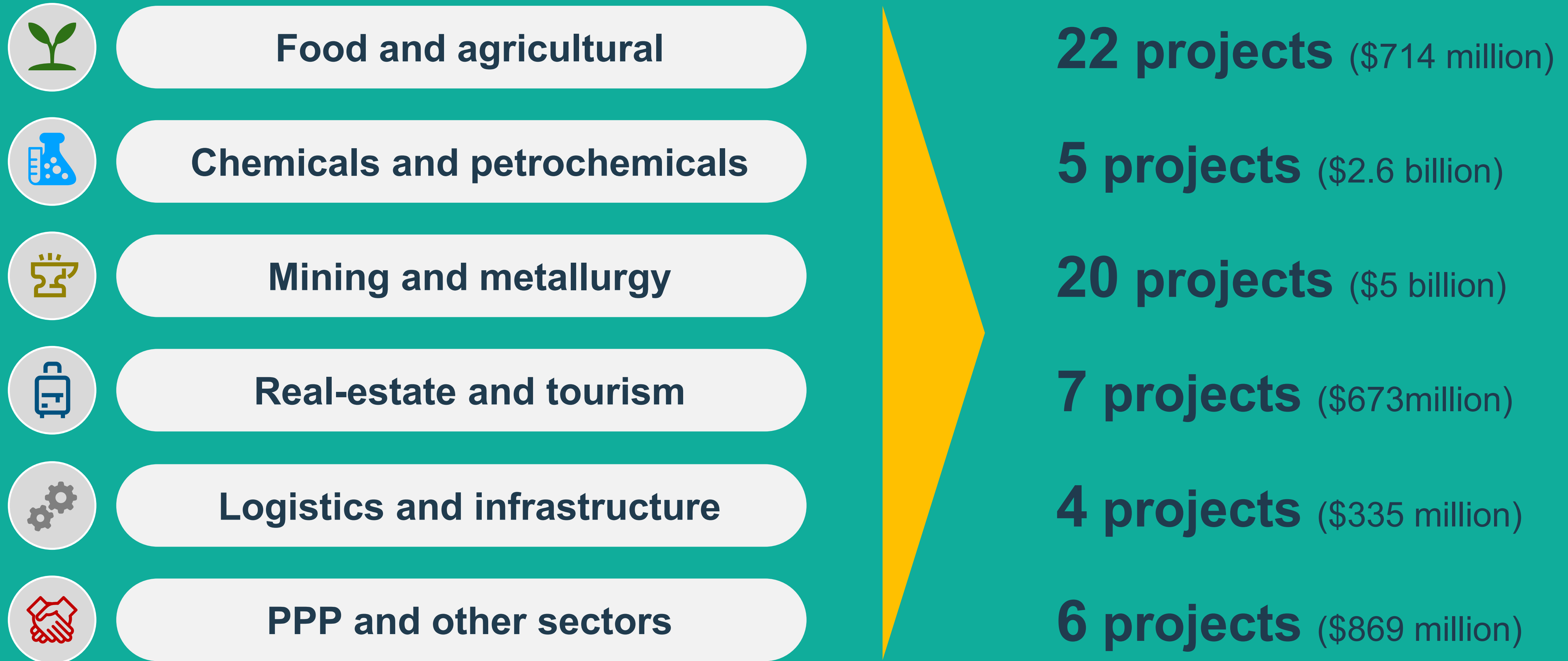
- In-kind state grants (Land plots, buildings, equipment, etc.)
- Simplified procedure for employment of foreign labor
- Investment subsidies (30% rebate on construction expenses)

FISCAL INCENTIVES

- Corporate income tax
- Land tax
- Property tax
- Exemption from customs duties

0%

REASON 10. VAST OPPORTUNITIES ACROSS SECTORS



CONTINUOUS SUPPORT

WHO WE ARE

- Kazakh Invest is a “one stop shop” for current and potential investors.
- We are a **single point of contact** to support businesses on their investment journey.
- **Trusted experts** who can offer businesses the security and local knowledge, expertise that **focus on specific areas of industry**.
- **Responsive and available 24/7.**
Our office doors never shut – the team never stops until investors are satisfied



KAZAKH INVEST
NATIONAL COMPANY

Established by the Government to attract high-quality inward Investment to Kazakhstan.
Acting as a **single negotiator** with a range of international and local representatives in 3 continents and all regions.

WHAT WE DO

- **On the side of investors,** we provide tailor made support to unlock their unique potential
- We provide a full range of services to support investment projects – from the initial investment concept right through to project implementation, as well as providing retained support for established businesses.
- **We ensure clarity on investment opportunities** and **reduce red tape** – facilitating all investors’ needs including securing public services and permits.

OUR PARTNERS



(Electric locomotives)



(Diesel locomotive)



(Spacecraft)



(Equipment and electronics)



(Electric pumps)



(Food Processing)



(Food Processing)



(Pharmaceuticals)



(Construction Materials)



(Construction Materials)



(Chemicals)



(Chemicals)



(Chemicals)



(Construction Materials)



(Mining)



(Oil and Gas)



(Oil and Gas)



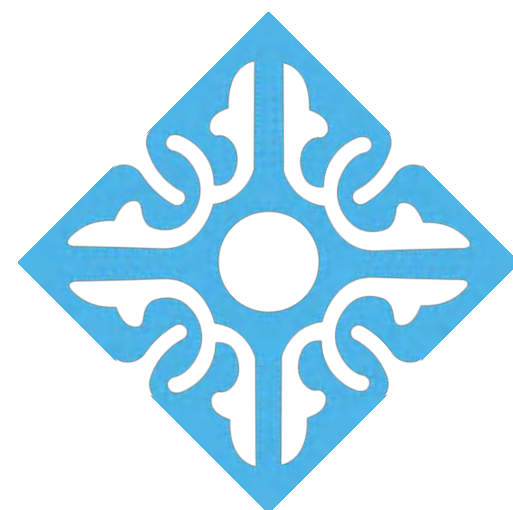
(Oil and Gas)



(Oil and Gas)



(Metallurgy)



INVEST KAZAKHSTAN

THE LAND OF GREAT OPPORTUNITIES

THANK YOU FOR YOUR ATTENTION!

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