






“...It is necessary to use public-private partnership mechanisms to "unload" budgetary expenses more actively. It is necessary to develop additional measures for encouragement of private investments into priority spheres of economy. It is important to attract private investors not only to a construction of roads, gas pipelines, hospitals, schools and other objects, but also to their reconstruction and servicing. All funds released by optimization of the budgetary expenses should be allocated, first of all, for projects which will bring real results for the population.”

“Kazakhstan in new global reality: growth, reforms, development”

The message of the President of the Republic of Kazakhstan of November 30, 2015

- Kazakhstan has the **largest economy in Central Asia** and one of the fastest-developing economies in the CIS
- **Low unemployment** (a stable level for many years)
- During the past decade Kazakhstan demonstrated strong real GDP growth rates of 7.4 % on average (1998-2015)
- The estimated GDP growth rate in 2015 is 1.5-2.0%

Kazakhstan has a large natural resources base:

-  > 30 bln bbl proved oil reserves (ranked 12th in world)
-  > 1.5 trillion m³ proved natural gas reserves (19th)
-  > 0.6 mln tonnes of recoverable resources of uranium (2nd)

Kazakhstan in figures



General information

Area	2,7 mln km ²
Capital	Astana
Currency	Tenge (KZT)

Population

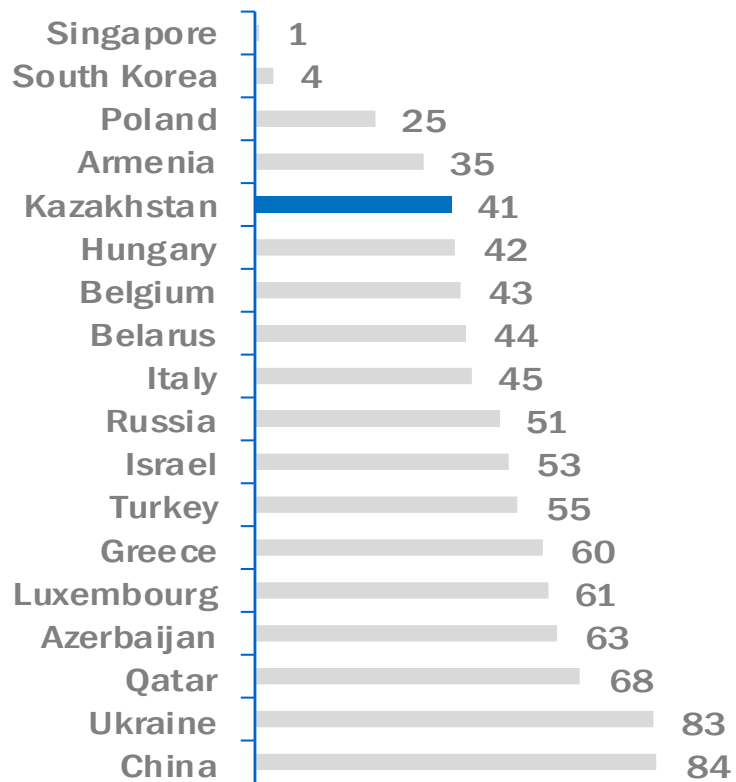
Population size, 1 February 2016	17,7 mln
Unemployment rate, February 2016	5,1%

Gross domestic product

Total GDP , 2015	183 833 USD mln
GDP per capita, 2015	10 478 USD

DOING BUSINESS 2016

Kazakhstan ranked **41st**



Source: World Bank, Doing Business 2016

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

Ranking countries according to the ease of paying taxes

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



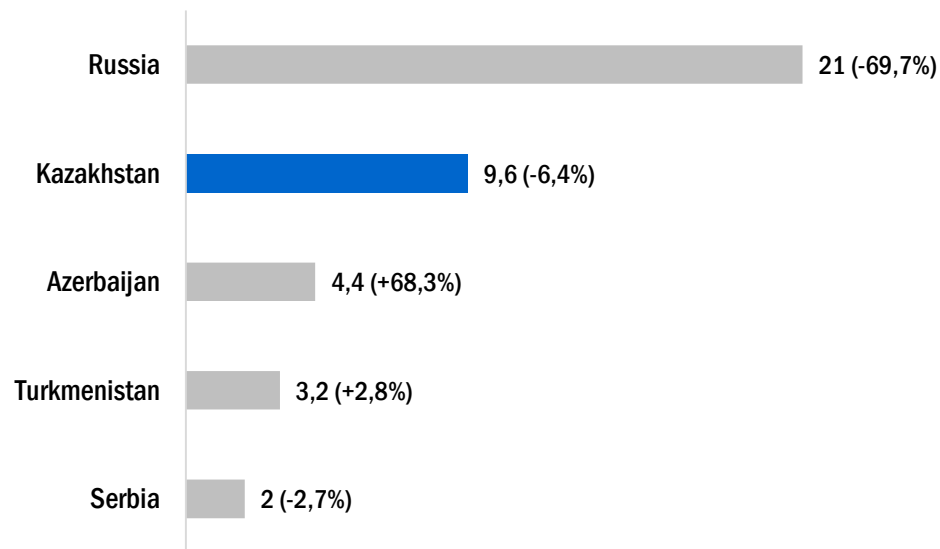
GLOBAL COMPETITIVENESS INDEX RANKINGS

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

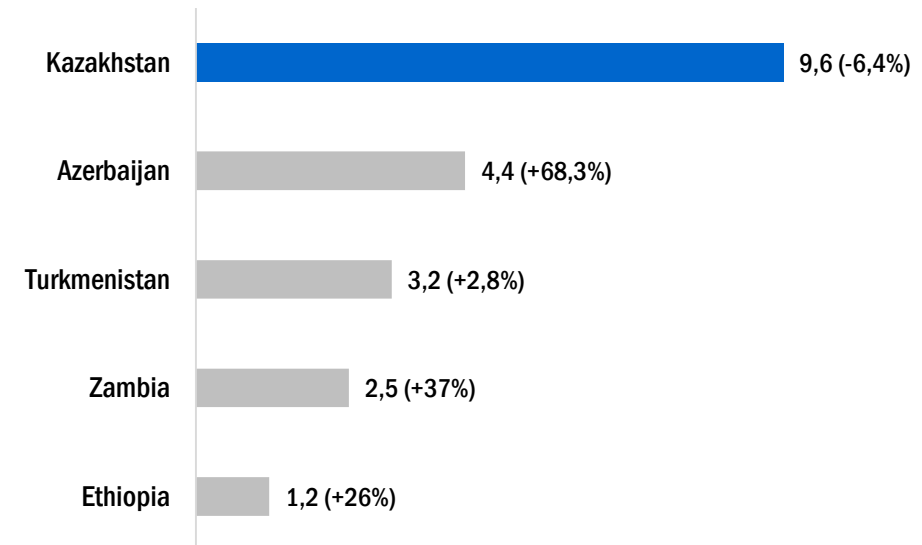
Source: World Economic Forum, Global Competitiveness Report 2015-2016

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

INCENTIVES

EXEMPTION FROM CUSTOMS DUTIES

- 1) When transporting manufacturing equipment and spare parts for it the exemption from customs taxation is granted for the term of investment contract but not later than 5 years after the investment contract registration.
- 2) When importing components for the manufacturing equipment, raw stock and (or) materials for term up to 5 years the exemption from customs taxation is granted to the legal companies depending on the volume of investment in the fixed assets.

VISA-FREE ENTRANCE

Visa-free entrance for citizens of Australia, Hungary, Italy, Monaco, Belgium, Spain, the Netherlands, Norway, Sweden, Malaysia, the United Arab Emirates, Singapore, the United Kingdom, the United States of America, Germany, Finland, France, Switzerland, and Japan for the period from 16 July 2015 till 31 December 2017 if the stay does not exceed 15 days (general application).



In 2017, Kazakhstan plans to abolish visa requirements for citizens of the **34** member states of the OECD.

IN-KIND GRANTS

In-kind grants of not more than **30%** of the total investment in fixed assets.



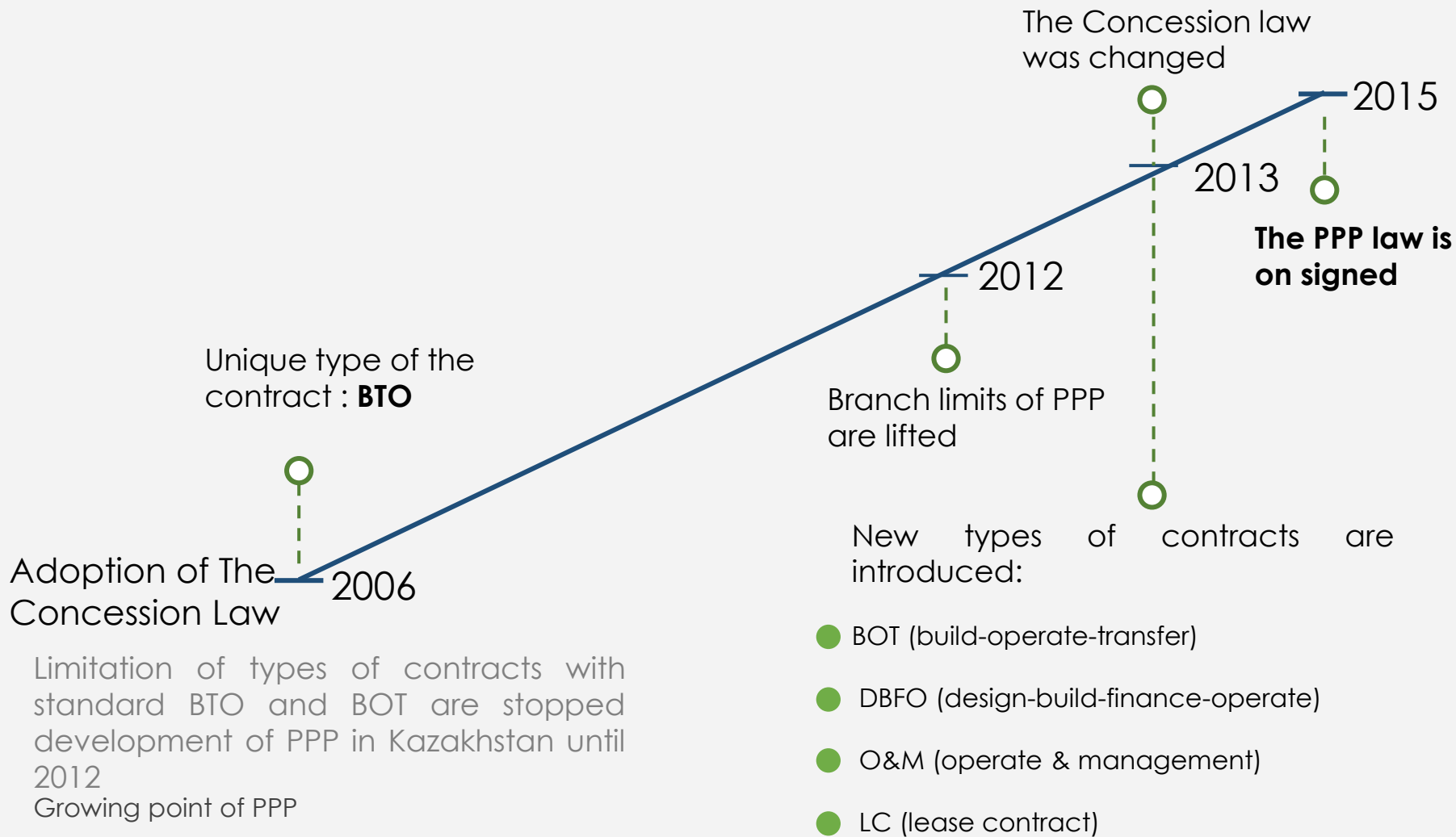
Free land

FREE WORK PERMITS

For the duration of construction + 1 year after commissioning of the investment project for those with investment contracts



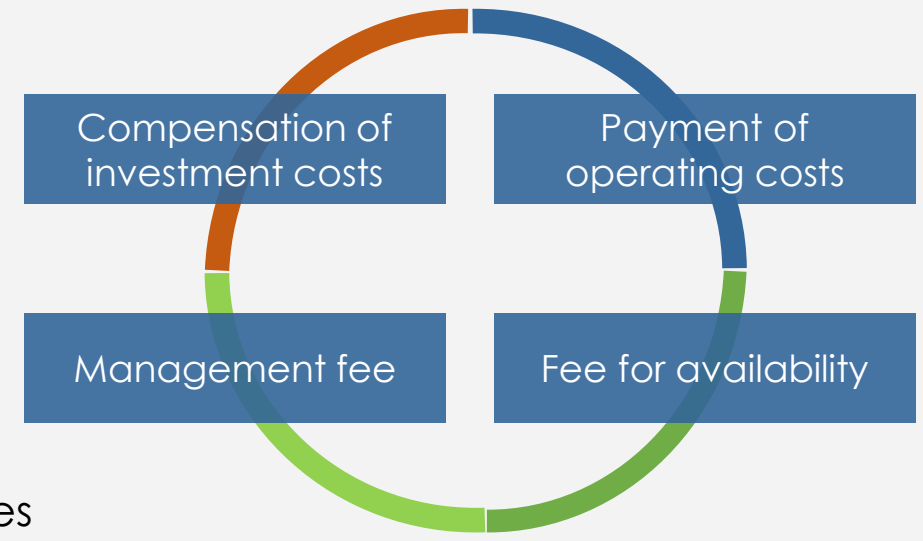
Without permit



A state support according to the legislation of the Republic of Kazakhstan is carried out by means of:

- guarantees of the state on infrastructure bonds
- state guarantees on the loans attracted to finance public-private partnership projects
- transfers of exclusive rights to the objects of intellectual property belonging to the state
- granting natural grants according to the legislation of the Republic of Kazakhstan
- joint financing of public-private partnership projects
- guarantees of consumption by the state of a certain volume of the goods, works and services made during implementation of public-private partnership projects.

Sources of cost recovery and income of the concessionaire:



Institutional interaction scheme in implementation of national PPP projects

Organizations

Areas of interaction and collaboration

1	JSC “National Management Holding Baiterek” and subsidiary financial institutions (Development Bank of Kazakhstan, Fund of infrastructure projects and others)	✓	<ul style="list-style-type: none">▪ Project financing (loans / investments)▪ Project finance structuring, including infrastructure projects and other PPP
2	Central and Local Authorities	✓	<ul style="list-style-type: none">▪ Administration of PPP projects at the national and regional levels▪ Development of infrastructure necessary for a project implementation▪ Advisory support of turn-key projects
3	Kazakhstan PPP Center	✓	<ul style="list-style-type: none">▪ Economic expertise of PPP projects▪ Assessment of project implementation▪ Legislative improvement of PPP system
4	International Organizations (IFC, EBRD, ADB, IDB and other)	✓	<ul style="list-style-type: none">▪ Development and implementation of global practices of PPP▪ Financing of PPP projects▪ Joint project finance structuring and support of projects
5	Commercial banks	✓	<ul style="list-style-type: none">▪ Financing of infrastructure projects▪ Providing of financial guarantees
6	Consulting companies (IFC, PwC, Deloitte, EY, KPMG)	✓	<ul style="list-style-type: none">▪ Joint project finance structuring and support of projects▪ Advices and recommendations for PPP development
7	Entrepreneurs	✓	<ul style="list-style-type: none">▪ Performance of projects, including infrastructure projects and other PPP▪ Project management and implementation

The State program of healthcare development in the Republic of Kazakhstan “Densaulyk” for 2016-2019

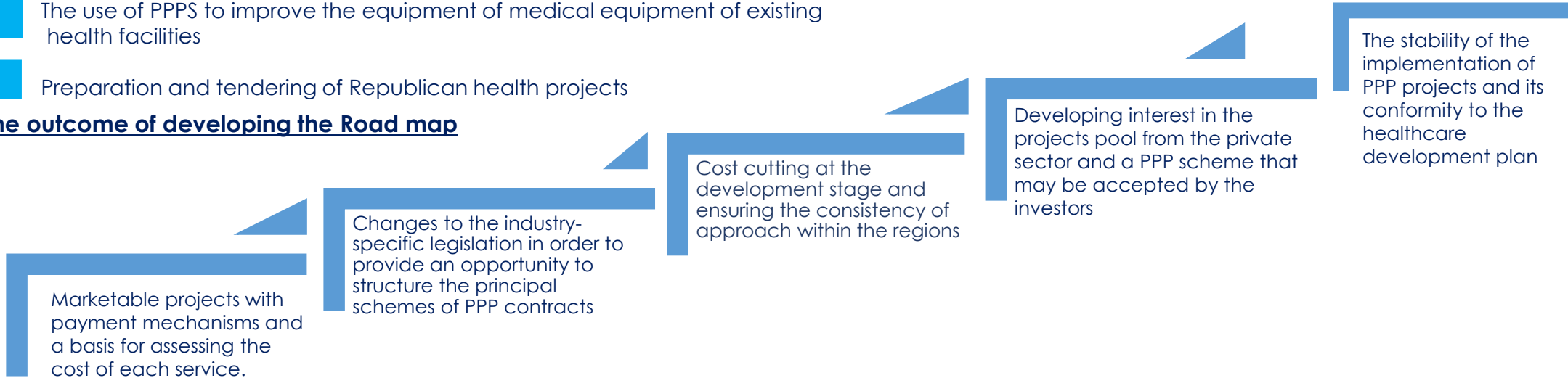
1. Development of public health care as basis of health protection;
2. Integration of all health services around needs of the population on the basis of modernization and priority development of PMSC;
3. Ensuring quality of medical services;
4. Realization of National policy of provision of medicines;
5. Improvement of health system on the basis of introduction of solidarity and increase of her financial stability;
6. Increase of effective management of human resources in branch of health care;
7. Ensuring further development of infrastructure of health care on the basis of public-private partnership and modern information and communication technologies.

No.	Indicators of results	Unit of measure	2014 (fact)	2015 (estimation)	2016	2017	2018	2019
1	Level of the expected life expectancy	Years	71,62	71,7	71,8	72,2	72,6	73
2	Level of the satisfaction of the population with quality of medical services	%	-	-	40	42	44	46

Main sections of the Road map:

- 1 Improving the network of health organizations and further develop infrastructure
- 2 Local level PPP projects of construction, reconstruction, overhaul (concession, PPP) list of projects and methodology
- 3 Sustainable management contracts for existing healthcare facilities
- 4 The introduction of information technology through PPP contracts
- 5 The use of PPPS to improve the equipment of medical equipment of existing health facilities
- 6 Preparation and tendering of Republican health projects
- 7 Facilitating project financing and promotion the project to private sector
- 8 Open discussions with representatives of private sector on Central government level

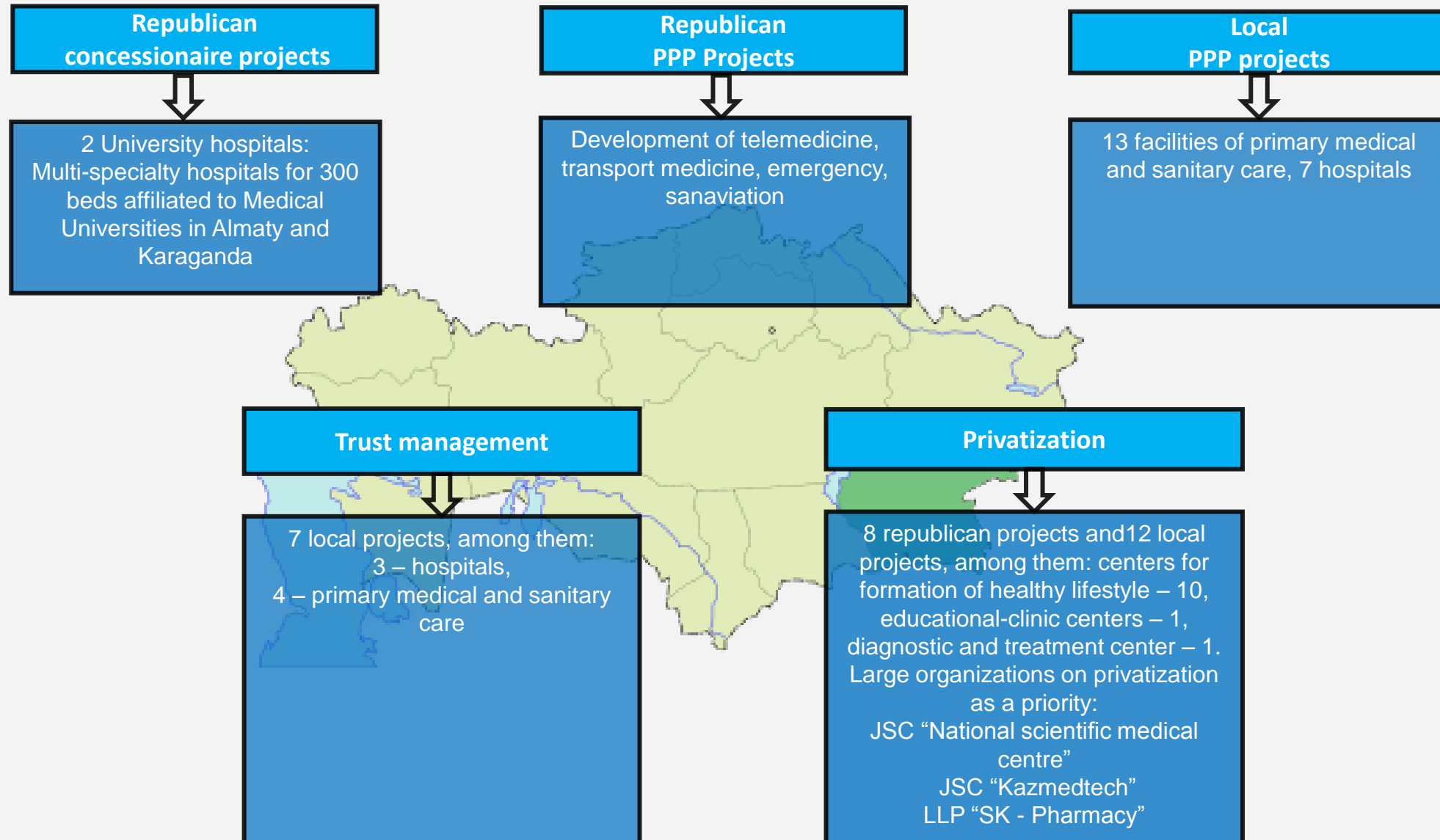
The outcome of developing the Road map



Implementation of PPP Road map in the healthcare sector according to UNECE standards

Need expert support in forming Healthcare PPP Programme

The end result
Fulfilling the needs of the population and the healthcare sector



Name of the concession project	Construction and operation of a multi-disciplinary hospital at Kazakh National Medical University named after SD Asfendiyarov RSE in Almaty
Project Grantor	Ministry of Healthcare and Social Development of the Republic of Kazakhstan
Concession Type	Design – Finance – Build– Maintenance – Operate (DFBMO)
Concession period	20 years
CAPEX in constant prices (est.)	USD 109,5 mln. (29,6 bln. tenge)
Objectives of the project	<ul style="list-style-type: none"> • Applying new technologies to improve quality of medical services to the population of the Republic of Kazakhstan • Providing base for clinical training of students and retraining of doctors of KazNMU involving on the latest achievements of medical science • Creating a base for scientific and clinical research in cooperation with foreign scientific communities

Name of the concession project	Construction and operation of multidisciplinary hospital for 300 beds under the State Enterprise “Karaganda State Medical University” in Karaganda
Project Grantor	Ministry of Healthcare and Social Development of the Republic of Kazakhstan
CAPEX in constant prices (est.)	48,21 mln. USD (17 320,13 mln. KZT)
Objectives of the project	<ul style="list-style-type: none">• the development of practical skills in a university clinic in the framework of student learning, professional development and retraining of doctors.• sustainable improvement of quality of medical care on the basis of access to advanced technologies and scientific developments;• carrying out the actual clinical and laboratory research with immediate results in a transfer of practical health care.