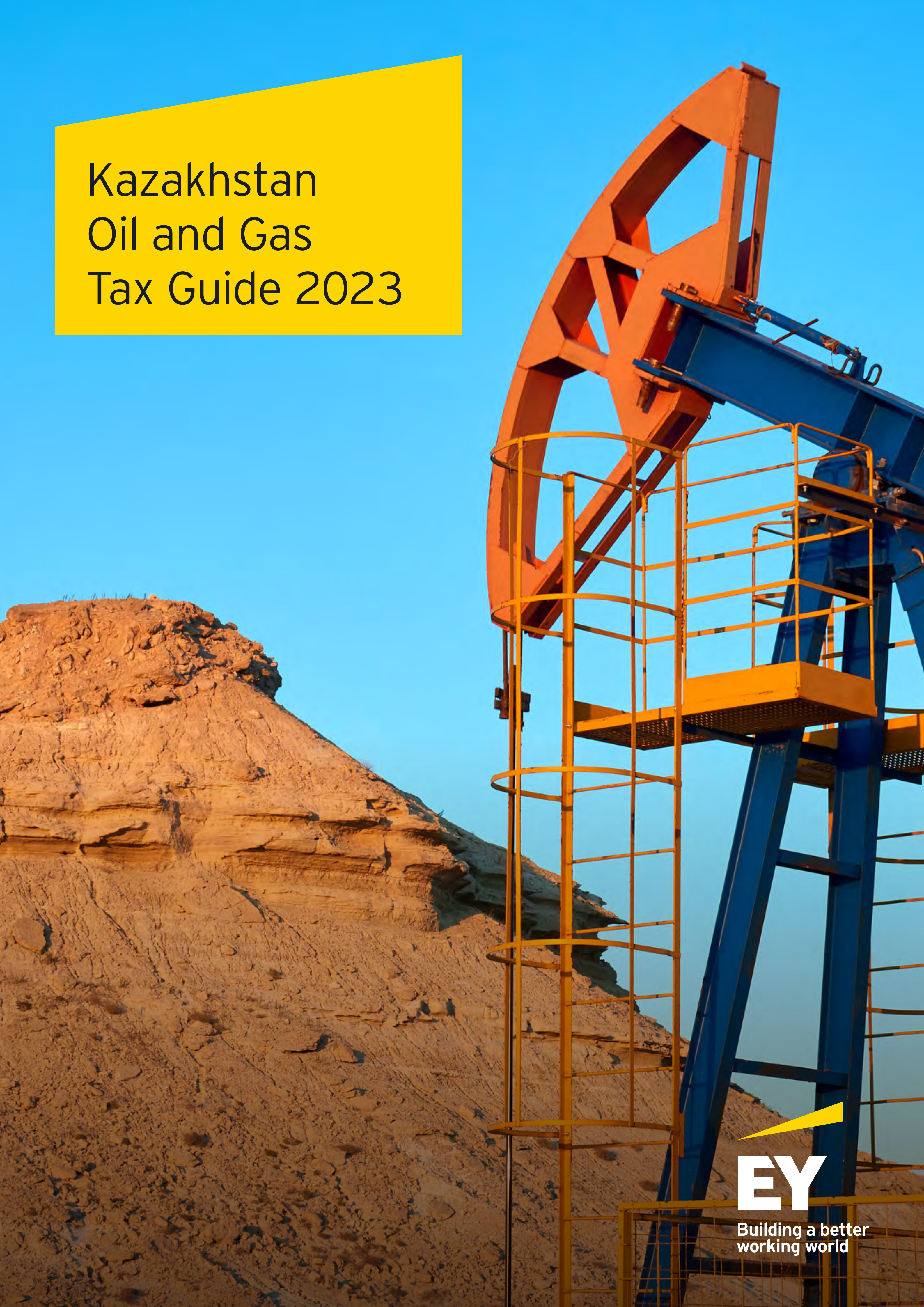
Kazakhstan Oil and Gas Tax Guide 2023



EY
Building a better working world

Contents

Introduction

This guide is intended to provide a general overview of taxation in the oil and gas sector in Kazakhstan.

This guide provides a high-level summary of the taxation regime effective on the date of preparation of this guide; therefore, it is not a substitute for comprehensive professional advice, which should be sought before engaging in any transaction. It should also be noted that in this guide we do not deal with all taxes of Kazakhstan. Here we cover only the most significant ones applicable to companies operating in the oil and gas sector, so advice should be taken as to the actual taxes applicable to a particular company.

Background on the Oil and Gas Industry in Kazakhstan

The oil and gas industry of Kazakhstan plays an important role in the economic development of the republic. It is a key driver of gross domestic product (GDP) growth and an important source of national budget revenue. Kazakhstan recorded 3.2% GDP growth in 2022, according to the World Bank's overview. The economy is expected to see a moderate increase in growth to 3.5% in 2023 and to 4% in 2024, led by the hydrocarbons sector as oil production rises thanks to several new projects. Since declaring independence, Kazakhstan has passed a series of reforms to liberalize its economy and attract foreign investment. Despite the conflict and Russian sanctions, Kazakhstan's trade is booming. Flows to Central Asia increased by 39 per cent to US$ 10 billion, according to UNCTAD's World Investment Report 2021.

FDI to Kazakhstan almost doubled to US$ 6.1 billion, with increases in the extractive industries (to US$ 4.1 billion), mainly from MNEs in the Netherlands and the United States. In 2022, FDI inflows to the country totaled US$ 6.1 billion. The country remains the 2nd largest recipient of FDI in the region, behind only Russia. The oil industry and metallurgy are the main sources attracting FDI to the country.

Kazakhstan's proven oil reserves are estimated at 30.0 billion barrels (3.9 billion tons), which account for 1.7% of total global reserves, according to BP's Statistical Review of World Energy 2022. Kazakhstan is the 2nd largest oil producer among the former Soviet republics after Russia, and it is heavily reliant on export oil revenues. In 2021, the total production of oil and gas condensate was 86 million tons.

State participation in the oil and gas industry has increased over the last few years due to the vital role of this industry in the economy of the republic. The production of hydrocarbons in Kazakhstan is concentrated mainly in the following three largest fields: Tengiz, Karachaganak and Kashagan, the development of which is carried out by established consortia with the participation of vertically integrated transnational corporations (TNCs). National Company KazMunayGas, a vertically integrated company, represents the state's interests in the industry. The company controls 25% of total proven oil and gas reserves in Kazakhstan.

Oil Production

Currently, there are 172 oil fields and 42 gas condensate fields registered in Kazakhstan, including 80 fields under development. More than 90% of the total reserves of Kazakhstan are concentrated in the following 15 largest fields: Tengiz, Kashagan, Karachaganak, Uzen, Zhetybai, Zhanazhol, Kalamkas, Kenkiyak, Karazhanbas, Kumkol, Northern Buzachi, Alibekmola, Central and Eastern Prorva, Kenbai and Korolevskoye.

Tengiz Field

The Tengiz field was discovered in 1979. Tengiz is located on the 2,500 square kilometer (1,600 square mile) project license area, which includes the supergiant Tengiz field, and a smaller but still sizable Korolev field and several exploratory prospects. Total recoverable crude oil in the Tengiz and Korolev fields is estimated at 890 million to 1.37 billion metric tons (7.1 to 10.9 billion barrels). The Tengiz field is one of the world's deepest supergiant oil fields, with the top of the reservoir at about 4.000 meters (13.000 feet). The Tengiz reservoir is 19 kilometers (12 miles) wide and 21 kilometers (13 miles) long. The oil column measures an incredible one mile thick.

Tengizchevroil ownership structure

Owners	Equity share
Chevron (US)	50%
ExxonMobil Kazakhstan (US)	25%
KazMunayGas NC (Kazakhstan)	20%
LUKArco (Russia)	5%

In 2023, Tengizchevroil LLP (TCO) marks 30 years of successful performance in Kazakhstan, with a 29-fold increase in crude oil production since 1993, and a 75% reduction in emissions intensity since 2000. In 2022, TCO produced 29.2 million tons of oil. The construction of the Wellhead Pressure Management Project (WPMP) is largely complete. The project focuses on commissioning and start-up work and the start of the field's transition from high to low pressure.

Kashagan Field

Kashagan, the largest offshore field within the North Caspian PSA contract area, was discovered in 2000. Its proven recoverable oil reserves are 761.1 million tons. Kashagan's owners will continue exploring other structures in the North Caspian PSA contract area – Kalamkas-Sea, South-Western Kashagan, Aktoty and Kairan. The project is currently operated by North Caspian Operating Company (NCOC), which is owned by both foreign and local investors. 2022 saw the start of the construction of 1.1 bcm gas processing plant at Kashagan.

North Caspian Operating Company's ownership structure, 2020

Owners	Equity share
KazMunayGas NC (Kazakhstan)	16.88%
Eni (Italy)	16.81%
ExxonMobil (US)	16.81%
Royal Dutch Shell (Netherlands/UK)	16.81%
Total (France)	16.81%
CNPC (China)	8.33%
INPEX (Japan)	7.56%

In 2022, NCOC produced 12.7 million tons of oil, 7.9 billion cubic meters (bcm) of natural gas, and 991 thousand tons of sulphur. In September 2023, North Caspian Operating Company N.V. (NCOC), the Operator of the North Caspian Project, in partnership with the Association of Petroleum Geologists of Kazakhstan held the International Conference dedicated to the 30th anniversary of the offshore operations in the northern part of the Caspian Sea.

Karachaganak Field

The Karachaganak field, which is being developed by Karachaganak Petroleum Operating B.V. (KPO), a joint venture between several Western companies led by BG Group and Eni, has estimated recoverable reserves of 9 billion barrels (1.2 billion tons) of oil and gas condensate, as well as 1.35 trillion cubic meters of natural gas reserves.

In November 2022, Karachaganak Petroleum Operating B.V. (KPO) announced that the partners in the Karachaganak project (Shell, ENI, Chevron, Lukoil and KMG) and the authorized body (PSA LLP) supported by the Ministry of Energy of the Republic of Kazakhstan signed the agreement sanctioning the Karachaganak Expansion Project-1B (''KEP-1B Project''). KEP-1B Project is a logical extension of a number of major projects implemented at Karachaganak a few years earlier, namely: Karachaganak Gas Debottlenecking Project (completed in 2021), the Fourth Injection Compressor Project (completed in early 2022), and the KEP-1A project, which is under construction as per plan. KPO produced nearly 129 million barrels of oil equivalent of stable and unstable liquid hydrocarbons, export raw gas and sweet fuel gas.

KPO's ownership structure, 2023

Owners	Equity share
Shell (UK)	29.25%
Eni (Italy)	29.25%
Chevron (US)	18.0%
Lukoil (Russia)	13.5%
KazMunayGas NC (Kazakhstan since 2012)	10.0%
INPEX (Japan)	7.56%

Oil Export Routes

Kazakhstan is a landlocked country. Consequently, transportation costs are high, and the lack of export routes presents a potential bottleneck for Kazakhstan's ambitious development plans. Oil is exported via the Caspian Sea, rail cars and pipelines. Since March 2022, there have been two shutdowns of the CPC terminal in Novorossiysk, Black Sea port in Russia.

Route volume of exported oil in 2021, million tons

Tengiz–Novorossiysk (CPC)	67.6
Atyrau–Samara	12
Atasu–Alashankou	0.966

Expansion of Export Routes

Oil producers in Kazakhstan have started testing new export routes as the war in Ukraine continues to pose risks to pipelines running through the Russian territory. Various initiatives have been launched to increase the throughput capacity of oil pipelines and modernize the seaports of Aktau (there are four oil terminals and two additional piers for loading oil) and Kuryk, along the east coast of the Caspian Sea in Kazakhstan. Kazakhstan is looking for U.S. transport and logistics companies to provide expertise, services, and products that will enhance the seaports of Aktau and Kuryk for oil transportation via the Baku (Azerbaijan) – Tbilisi (Georgia) – Ceyhan (Turkey) pipeline (BTC pipeline), and possibly via additional routes.

Tengiz-Novorossiysk (Caspian Pipeline Consortium)

CPC's pipeline, with a total length of 1,510 kilometers, connects the Tengiz oil field with an oil terminal in Novorossiysk, Russia's port on the Black Sea. In 2022, CPC significantly reduced oil throughput over Tengiz-Novorossiysk pipeline due to repairs at the Tengiz field and suspended production at the Kashagan field in Kazakhstan.

Kazakhstan-China Pipeline

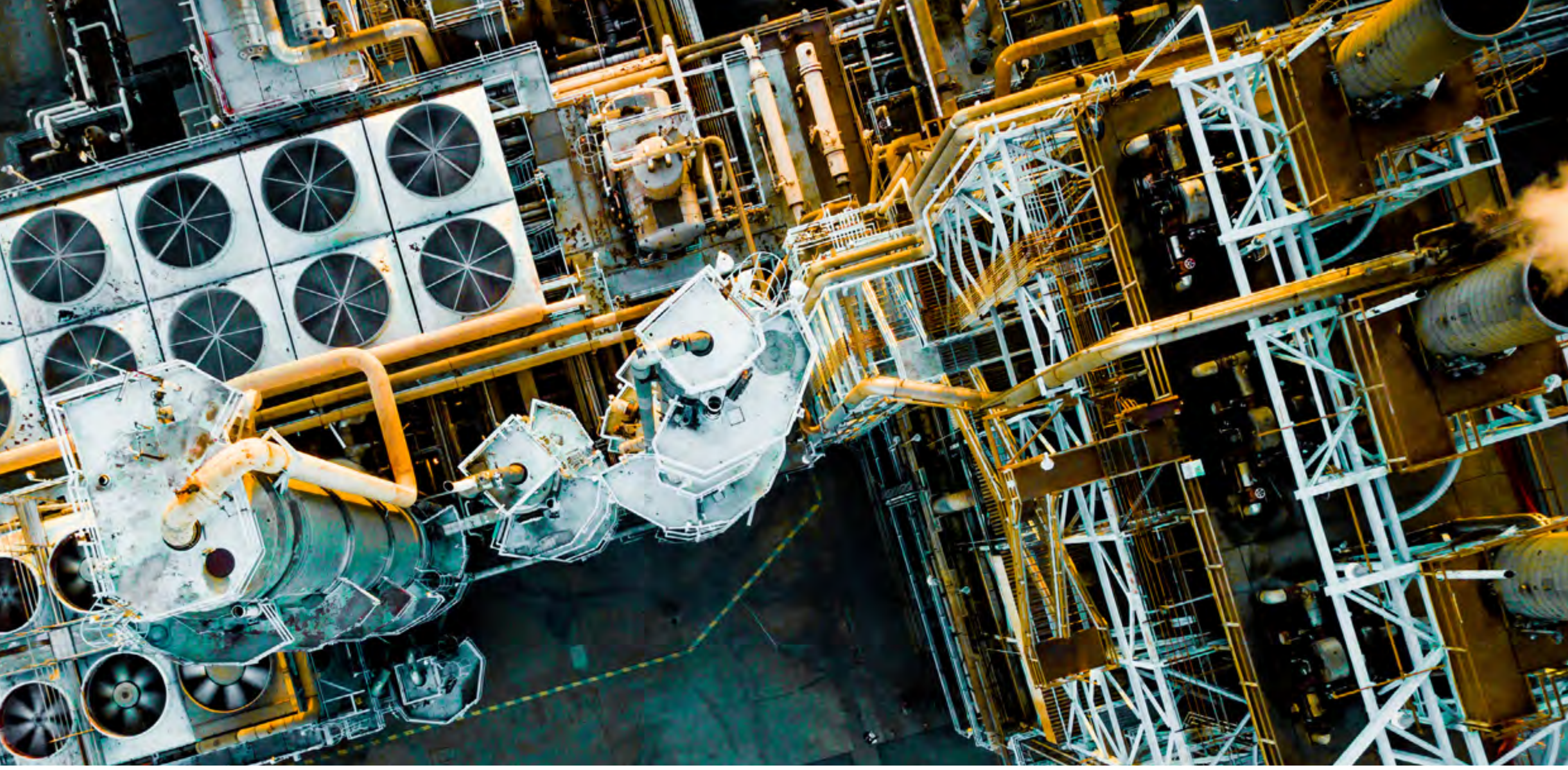
The Kazakhstan-China pipeline is being constructed in two phases. Phase 1, the Atasu–Alashankou oil pipeline, with the annual capacity of about 10 million tons, was put into operation in July 2006. In 2021, Kazakhstan shipped 7.2 bcm of gas to China.

Oil Refining in Kazakhstan

Kazakhstan has three major oil refineries supplying products to the northern region (at Pavlodar), western region (at Atyrau), and southern region (at Shymkent). The maximum retail price for petroleum products is set at the level of KZT 205 (US$ 0.45) per liter for AI-92 and AI-93, KZT 295 per liter for diesel for residents (up to 100 liters per day) and at KZT 450 for non-residents.

Gas Industry in Kazakhstan

Kazakhstan has proven natural gas reserves of 79.7 trillion cubic feet (2.3 trillion cubic meters), according to BP's Statistical Review of World Energy 2021. Most of Kazakhstan's natural gas reserves are found in the west of the country, with roughly 49% of proven reserves concentrated in one field, Karachaganak. In 2021, production of natural gas reached 32 bcm.



Taxation of Subsurface Users in Kazakhstan[1]

This section describes the tax legislation applicable to oil and gas companies.

Subsurface Use Legislation

In Kazakhstan, the economic terms established in a subsurface use contract are governed by two major legislative acts. They are the Subsurface Use Code[2], which contains the basic legal framework for granting rights to be a subsurface user, and using, assigning or terminating the rights of such user, and the Tax Code[3], which is discussed in detail below.

Stability of the Tax Regime

There are two types of subsurface use contracts in Kazakhstan: a production sharing agreement (PSA) and an excess profit tax (EPT) contract.

The tax regimes of the small number of PSAs concluded prior to 2009 are stable and continue to apply if PSAs have undergone a "tax expert evaluation."

The tax regimes of EPT contracts are not stabilized and may change, except where such contracts are approved by the President of the Republic of Kazakhstan.

Stabilized contracts can be changed by mutual agreement between the parties.

Ring-Fencing

The tax regime of a subsurface use contract applies to activities that are carried out within the framework of the contract and that meet the definition of subsurface use in the Subsurface Use Code. The Tax Code implies that the tax boundary occurs after the extraction and primary processing stages.

Statutory and Tax Accounting

The Tax Code contains detailed requirements for the tax policy and a set of tax registers that provide the bridge from the underlying accounting records to the tax returns.

Statutory accounting records are maintained in accordance with the Law on Accounting and Financial Reporting, under which most companies should prepare financial statements according to the International Financial Reporting Standards (IFRS).

---

1 Oil, gas and mining companies in Kazakhstan are referred to as "subsurface users" and enter into "subsurface use contracts" to acquire the rights to exploit the mineral resources of the country.

2 Code No. 125-VI of the Republic of Kazakhstan On Subsurface and Subsurface Use dated 27 December 2017.

3 Code No. 120-VI of the Republic of Kazakhstan On Taxes and Other Obligatory Payments to the Budget dated 25 December 2017.

Taxes Applicable to Subsurface Users

A At a Glance

Fiscal Regime

This section describes the fiscal regime in force for almost all existing subsurface use companies in the petroleum industry. This regime is applicable to all contracts, except PSAs that came into effect prior to 1 January 2009 and contracts approved by the President of the Republic of Kazakhstan.

The generally established fiscal regime that applies to exploration and production contracts in the petroleum industry in Kazakhstan consists of a combination of corporate income tax, rent tax on exports, bonuses, mineral extraction tax and other taxes imposed on subsurface users. Oil and gas production activities are ring-fenced from downstream activities and from each other (i.e., on a contract-by-contract basis) for tax purposes.

Mineral Extraction Tax

Mineral extraction tax (MET) is a volume-based royalty-type tax applicable to oil, crude gas and associated gas. Different rates apply, depending on what is produced and whether it is exported, sold domestically or used for own production needs.

Signature Bonus

Subsurface users are expected to pay a signature bonus.

Corporate Income Tax (CIT)

CIT is applied to all companies at the rate of 20% of taxable income.

Rent Tax on Exports

The tax base is determined as the value of the exported crude oil and crude oil products, including gas condensate, based on the same tax valuation as for MET. The tax rate ranges from 7% to 32% and is applied once the notional world prices for crude oil and crude oil products exceed US$ 40 per barrel.

Excess Profit Tax (EPT)

EPT is calculated annually. The tax is paid at progressive rates applicable to the portion of net income that exceeds 25% of deductions. The taxable tranches are derived by applying percentages of the deductible expenses.

Alternative Subsurface Use Tax (ASUT)

ASUT was introduced on 1 January 2018. ASUT may be applied by a subsurface user as a substitute for payment to compensate for historical costs, MET and EPT (at the discretion of the subsurface user). ASUT may be applied only by the subsurface users carrying out hydrocarbons production at certain oilfield deposits located entirely in the Kazakhstan sector of the Caspian Sea.

Capital Allowances

The value of fixed assets is deductible by means of depreciation charges for CIT and EPT purposes.

Carry Forward of Losses

Tax losses relating to subsurface use contracts can be carried forward for up to 10 years to be offset against taxable income of the respective tax period.

The taxes applicable to subsurface users are as follows:

Applicable taxes	Rate
Bonuses	Variable
Mineral extraction tax	5% to 18% for oil; 10% for gas
Excess profit tax	0% to 60%
Payment to compensate for historical costs	Variable
Alternative subsurface use tax	0% to 30%[4]
Rent tax on exports	0% to 32%[5]
Excise tax on crude oil and gas condensate	KZT 0 per ton
Land tax	Generally immaterial
Property tax	1.5%
Environmental fees	Variable
Other fees (e.g., fee for the use of radio-frequency spectrum, fee for the use of navigable waterways)	Variable
Other taxes and payments	Variable
VAT	12%
Crude oil export duty	Variable

EPT

EPT is calculated annually. The taxable object is the portion of net income (if any) that exceeds 25% of deductions. Taxable income is calculated as the aggregate annual income less deductions less CIT and branch profits tax, if any.
For EPT purposes, deductions are the expenditure deductible for CIT purposes (with some adjustments). The tax is calculated by applying the following rates to the tranches of excess income, each tranche being allocated the marginal net income determined as a percentage of deductions until total net income is allocated.

Net income allocation schedule for EPT, % of deductions	% for calculating marginal net income allocation for EPT	EPT rate (%)
Less than or equal to 25%	25	Not set
From 25% to 30% inclusive	5	10
From 30% to 40% inclusive	10	20
From 40% to 50% inclusive	10	30
From 50% to 60% inclusive	10	40
From 60% to 70% inclusive	10	50
Over 70%	Any excess	60

Payment to Compensate for Historical Costs

The payment to compensate for historical costs is a fixed payment made by the subsurface user to compensate the state for geological survey and development costs of the contract territory and exploration of the oilfield deposits incurred before the subsurface use contract was concluded.

The obligation to compensate for historical costs arises from the date when the confidentiality agreement is concluded between the subsurface user and the authorized state body on subsurface study and usage.

MET

MET applies to oil, crude gas and associated gas. The taxable base is the value of production. For export sales, the value is based on world prices without adjustments.

The world price for oil, crude gas and associated gas in this context is determined as the arithmetic mean of daily quotations for each of the Urals Mediterranean (Urals Med) or Dated Brent (Brent Dtd) brands in the tax period based on the information published in *Platts Crude Oil Marketwire*.[6] If that source does not provide price information for those brands, the source *Argus Crude* should be used.[7]

The world price for gas is determined as the arithmetic mean of daily quotations for *Zeebrugge Day-Ahead* in the tax period based on tthe information published in *Platts European Gas Daily*.[8] If that source does not provide price information for natural gas, the source *Argus European Natural Gas*[9] should be used.

4 These tax rates are applied until 31 December 2023 for ASUT payers that filed a notification before 31 December 2022.
5 Zero tax rate if the world price for crude oil and crude oil products is less than US$ 40 per barrel (inclusively).
6 Published by The McGraw-Hill Companies Inc.
7 Published by Argus Media Ltd.
8 Published by The McGraw-Hill Companies Inc.
9 Published by Argus Media Ltd.

The tax rates are determined by the annual volume of production. The tax rates for oil are provided below.

Annual production of oil for each calendar year (thousand tons)	MET rate (%)
Up to 250 inclusive	5
Up to 500 inclusive	7
Up to 1,000 inclusive	8
Up to 2,000 inclusive	9
Up to 3,000 inclusive	10
Up to 4,000 inclusive	11
Up to 5,000 inclusive	12
Up to 7,000 inclusive	13
Up to 10,000 inclusive	15
Over 10,000	18

These rates are reduced by 50% if the production is processed domestically in Kazakhstan either by the producer or by a purchaser. There are special rules for the calculation of tax bases in such cases.

A flat rate of 10% applies to crude gas that is exported. For crude gas sold to the Kazakhstan's domestic market, the reduced ratesof 0.5% to 1.5% are applied, depending on the annual production.

Signature Bonus

The signature bonus is a lump-sum payment paid by a subsurface user for the right to use the subsurface.

For hydrocarbons exploration contracts where the reserves have not been approved, the bonus is a fixed amount of 2,800 MCI[10], which is equivalent to KZT 9,660,000 (approximately US$ 20,540) .

For hydrocarbons production contracts and for combined exploration and production contracts where the reserves have not been approved, the bonus is a fixed amount of 3,000 MCI, which is equivalent to KZT 10,350,000 (approximately US$ 22,000).

If the reserves have been approved, the bonus is calculated by the formula that applies the rate of 0.04% to the approved reserves and 0.01% to the provisionally approved reserves, but not less than 10,000 MCI, which is equivalent to KZT 34,500,000 (approximately US$ 73,360).

CIT

CIT is applied to all companies at the rate of 20% of taxable income. The taxable income is calculated as the difference between the aggregate annual income (after certain adjustments) and statutory deductions.

Deductions

All expenses incurred by a taxpayer carrying out activities to generate income are deductible for the purpose of determining taxable income. Examples of expenses that are allowed for deduction include, but are not limited to:

- Interest expense (within limits);
- Contributions to the decommissioning fund.
  The procedure for making such contributions and the amount are established in the subsurface use contract;
- Expenditure on geological studies, and exploration and preparatory operations for extraction of mineral resources;
- Research and development, scientific and technological expenditures.

Geological studies, exploration, and preparatory operations to produce extractable minerals, include the following: appraisal, preparatory work, general and administrative expenses, and costs on the payment of bonuses. These costs, together with expenditure on the purchase of fixed assets and intangible assets (expenditure incurred by a taxpayer while acquiring the right to geological exploration, development, or extraction of mineral resources), form a depreciation group that is separate from fixed assets for tax purposes.

These costs may be deducted through declining-balance depreciation for (i) contracts on complex offshore projects at the rate not exceeding 37.5% for a certain period, and (ii) for other subsurface use contracts, at the rate not exceeding 25% after the production begins following commercial discovery. Similar expenses incurred after the separate depreciation group has been set up (such as expenses incurred after depreciation starts) are included in the group to increase its residual value if, under IFRS, such expenses are capitalized in the value of assets already included in the group.

Depreciation of the pool of such expenses begins when the production commences after commercial discovery. In the case of a farm-in, the subsurface user is allowed to capitalize the cost of acquiring a subsurface use right. Upon farm-out, the subsurface user is liable for tax on capital gains.

The following are examples of other deductible expenses:

- Expenses incurred under a joint operating agreement are deductible based on the information provided by the operator;

10 As of 1 January 2023, the monthly calculation index is established in Law on the Republican Budget for 2023-2025 No. 163-VII dated 1 December 2022 at KZT 3,450.

- Business trip and representation expenses (per diems are deducted in full, based on the taxpayer's internal policy, whereas representation expenses are deductible in the amount of up to 1% of payroll);
- Net foreign exchange loss when a foreign exchange loss exceeds a foreign exchange gain;
- Social payments to the State Social Insurance Fund;
- Insurance premiums, except for those paid under accumulative insurance contracts;
- Amounts paid as redemption of doubtful payables previously written off as income;
- Doubtful receivables not redeemed within three years;
- Taxes paid (except for taxes already excluded prior to determining the aggregate annual income, income tax paid in Kazakhstan and in any other states, and EPT and ASUT);
- Fines and penalties, except for those payable to the state budget;
- Maintenance or current repair expenses;
- Capital repairs (within the statutory limits);
- Expenditure actually incurred by a subsurface user on training the Kazakhstan personnel and developing the social sphere in rural areas, within amounts stipulated in subsurface use contracts.

Starting from 2023, deductions of expenses incurred in respect of non-tangible services purchased from related non-resident entities are restricted by 3% of taxable income .

The following expenses fall under the restriction: management, consulting, auditing, design, legal, accounting, advocacy, advertising, marketing, franchising, financial (except for interest expenses), engineering, agency services, royalties, and rights to use intellectual property objects.

The Tax Code also provides for certain expenses to be deducted directly from taxable income covering up to 4% of taxable income, such as sponsorship aid and charitable contributions (subject to certain conditions).

The depreciation regime for fixed assets is discussed in Section C.

Dividends

Dividends distributed domestically (i.e., by a local subsidiary to a local parent company) are exempt from CIT, except for certain cases, such as dividends on securities listed in the official list of stock exchanges operating in the RK. Such dividends can be exempt from taxation via CIT adjustments in accordance with the criteria determined by the Government of the RK if such securities were traded on the stock exchange during the calendar year.

Dividends distributed by a Kazakhstan subsurface user that is a legal entity to a non-resident legal entity are subject to withholding tax (WHT) in Kazakhstan as described in Section E below.

Rent Tax on Exports

The rent tax on exports is paid by legal entities and individuals that export crude oil and crude oil products. The tax base is calculated as the volume of the exported crude oil and crude oil products multiplied by the world price of crude oil. The latter is determined as the arithmetic mean of daily quotations for each of the Urals Mediterranean (Urals Med) or Dated Brent (Brent Dtd) brands in the tax period based on the information published in *Platts Crude Oil Marketwire* by The McGraw-Hill Companies or, if that source does not provide price information for those brands, using the *Argus Crude* source.

The tax rates applied to exported crude oil and crude oil products vary, as shown in the next table .

Market price	Rate (%)
Up to US$ 20 a barrel inclusive	0
Up to US$ 30 a barrel inclusive	0
Up to US$ 40 a barrel inclusive	0
Up to US$ 50 a barrel inclusive	7
Up to US$ 60 a barrel inclusive	11
Up to US$ 70 a barrel inclusive	14
Up to US$ 80 a barrel inclusive	16
Up to US$ 90 a barrel inclusive	17
Up to US$ 100 a barrel inclusive	19
Up to US$ 110 a barrel inclusive	21
Up to US$ 120 a barrel inclusive	22
Up to US$ 130 a barrel inclusive	23
Up to US$ 140 a barrel inclusive	25
Up to US$ 150 a barrel inclusive	26
Up to US$ 160 a barrel inclusive	27
Up to US$ 170 a barrel inclusive	29
Up to US$ 180 a barrel inclusive	30
Up to US$ 190 a barrel inclusive	32
Up to US$ 200 a barrel and above	32

The tax period for the rent tax on exports is a calendar quarter.

Alternative Subsurface Use Tax (ASUT)

ASUT may be applied by subsurface users as a substitute for MET, EPT and payment to compensate for historical costs (at the discretion of the subsurface user and upon filing a notification for the use of ASUT).

ASUT may be applied by (i) subsurface users engaged in production or in the combined exploration and production of hydrocarbons in a field located entirely in the Kazakhstan sector of the Caspian Sea, and (ii) by subsurface users engaged in exploration and production of hydrocarbons within complex projects .

ASUT is calculated annually. The taxable base is calculated as the difference between the aggregate annual income and deductions determined for ASUT purposes (after certain adjustments).

Until 31 December 2023, the tax rates for ASUT payers that filed a notification before 31 December 2022 are shown in the table below.

World oil price (US$/bbl)	Rate (%)
Up to US$ 50/bbl inclusive	0
Up to US$ 60/bbl inclusive	6
Up to US$ 70/bbl inclusive	12
Up to US$ 80/bbl inclusive	18
Up to US$ 90/bbl inclusive	24
Above US$ 90/bbl	30

From 2023, the following tax rates shown in the table below will be applied.

World oil price (US$/bbl)	Rate (%)
Up to US$ 50/bbl inclusive	0
Up to US$ 60/bbl inclusive	6
Up to US$ 70/bbl inclusive	12
Up to US$ 80/bbl inclusive	18
Up to US$ 90/bbl inclusive	24
Up to US$ 100/bbl inclusive	30
Up to US$ 110/bbl inclusive	32
Up to US$ 120/bbl inclusive	34
Up to US$ 130/bbl inclusive	36
Up to US$ 140/bbl inclusive	38
Up to US$ 150/bbl inclusive	40
Above US$ 150/bbl	42

For contracts for exploration and production or production of hydrocarbons within complex offshore projects, ASUT is calculated at the following rates.

World oil price (US$/bbl)	Rate (%)
Up to US$ 50/bbl inclusive	0
Up to US$ 60/bbl inclusive	2
Up to US$ 70/bbl inclusive	4
Up to US$ 80/bbl inclusive	6
Up to US$ 90/bbl inclusive	8
Up to US$ 100/bbl inclusive	10
Up to US$ 110/bbl inclusive	10.7
Up to US$ 120/bbl inclusive	11.3
Up to US$ 130/bbl inclusive	12.0
Up to US$ 140/bbl inclusive	12.7
Up to US$ 150/bbl inclusive	13.3
Above US$ 150/bbl	14.0

The world oil price is determined in the same way as for MET (please see above).

C Capital Allowances

For tax depreciation purposes, fixed assets are grouped into four types. Assets are depreciated at the maximum depreciation rates set out in the table below.

Group	Type of fixed assets	Maximum depreciation rate (%)
I	Buildings and facilities (except for oil and gas wells and transmission devices)	10
II	Machinery and equipment, except for that used for oil and gas production	25
III	Office machinery and computers	40
IV	Fixed assets not included in other groups, including oil and gas wells, transmission devices, machinery and equipment used for oil and gas production	15

Subsurface users engaged in exploration and production of hydrocarbons as part of complex projects can apply maximum depreciation rates set out in the table below.

Group	Type of fixed assets	Maximum depreciation rate (%)
I	Buildings and facilities (except for oil and gas wells and transmission devices)	15
II	Machinery and equipment, except for that used for oil and gas production	37.5
III	Office machinery and computers	60
IV	Fixed assets not included in other groups, including oil and gas wells, transmission devices, machinery and equipment used for oil and gas production	22.5

Fixed assets, among other items, include:

- Fixed assets, investments in real estate, intangible assets and biological assets recorded in accordance with IFRS and Kazakhstan accounting standards;
- Assets with a useful life exceeding one year, manufactured and/or acquired by concessionaries under concession agreements;
- Assets with a useful life exceeding one year that are intended for use in activities aimed at generating income and were received by a fiduciary for fiduciary management.

Some items that are not considered to be fixed assets include:

- Intangible assets with an indefinite useful life;
- Assets commissioned under investment contracts concluded prior to 1 January 2009.

Subsurface users, except for subsurface users engaged in complex projects, have the right to apply double depreciation rates in the year of commissioning "newly created" fixed assets, provided they will use such assets in their contract activities for three years.

Expenses actually incurred on the use, repair, maintenance and liquidation of fixed assets are defined as "subsequent costs" and are deductible in the tax period when they are actually incurred, except for expenses that should increase the carrying value of assets for statutory accounting purposes.

D Investment Incentives

Losses

Losses pertaining to subsurface use contracts may be carried forward for up to 10 years. Tax losses may not be carried back.

Tax Preferences

Certain subsurface users extracting hydrocarbons from low margin, highly viscous or worked out oilfield deposits may apply for certain MET preferences.

Generally, income derived by a non-resident from Kazakhstan sources is subject to 20% WHT in Kazakhstan, except for the following:

- 15% for dividends, capital gains, interest and royalty;
- 5% for income from international transportation services;
- 5% for insurance premiums under reinsurance risk agreements;
- 15% for insurance premiums under insurance risk agreements.

The WHT rate on dividends, interest and royalty may be reduced under the relevant double tax treaty provided that certain conditions are met.

It should be noted that any type of income paid by a Kazakhstan legal entity to a non-resident legal entity registered in blacklisted tax jurisdictions is subject to 20% WHT in Kazakhstan. The Kazakhstan Government adopted the list of countries with a privileged taxation system.

Taxation of Dividends

Dividends paid by a Kazakhstan subsurface user that is a legal entity to a non-resident legal entity are subject to WHT at a domestic rate of 15% (or 20% for entities registered in blacklisted tax jurisdictions established by the Kazakhstan Government as countries with a privileged taxation system (tax havens)). However, this WHT rate may be reduced under the relevant double tax treaty provided certain requirements are met, including that the recipient of dividends is the beneficial owner of such dividends, it is a fully operating company, and all other administrative requirements are met. The application of benefits under a double tax treaty is subject to the relevant Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting ("Multilateral Instrument", or "MLI") provisions.

3-year holding period under the domestic law

Kazakhstan tax legislation envisages a reduced rate of 10% applied for WHT on dividends received by non-residents (except those registered in tax havens) from a subsurface user, if the following conditions are simultaneously met:

- by the date when the dividends are accrued, the non-resident has held shares/a participation interest (in relation to which the dividends are paid) for more than 3 years;
- within a twelve-month period preceding the first day of the month of the dividends' accrual, a resident legal entity that is a subsurface user paying dividends has been carrying out subsequent processing (after primary processing) of at least 70% of the mineral raw materials mined within that period, including coal, at its own production facilities located in the Republic of Kazakhstan and/or those owned by a resident legal entity that is a related party.

The above reduced rates apply only to certain types of income previously subject to CIT.

Taxation of Capital Gains

Generally, income of non-residents from sources in Kazakhstan includes, among other items:

- capital gains generated from the transfer of shares/ a participation interest in a Kazakhstan legal entity;
- capital gains generated from the transfer of shares/ a participation interest in a foreign legal entity, if 50% or more of the value of its shares/participation interest or its assets are derived from Kazakhstan / assets located in Kazakhstan (i.e., the indirect transfer of shares/a participation interest in a Kazakhstan legal entity).

Gains received by a non-resident legal entity from the disposal of shares or participation interest will be subject to Kazakhstan WHT at the rate of 15% (or 20% for non-residents that are registered in tax haven jurisdictions).

Please note that Kazakhstan applies an extra-territorial capital gains tax regime, i.e., if a non-resident sells its shares in a foreign entity that derives more than 50% of its value from Kazakhstan assets then such a disposal of shares is considered income sourced in Kazakhstan, which is subject to Kazakhstan WHT at 15% (or 20% for non-residents that are registered in tax haven jurisdictions).

3-year holding period exemption under the domestic law

In accordance with Kazakhstan tax legislation, capital gains may be exempt from taxation in Kazakhstan, provided that the following conditions are simultaneously met:

- the seller is not registered in a blacklisted tax jurisdiction;
- the legal entity has owned the shares subject to sale for more than 3 years;
- the legal entity whose shares are to be sold is not a subsurface user and does not derive 50% or more of its value from a subsurface user in Kazakhstan.

An entity is not recognized as a subsurface user on the sole basis of its right to extract groundwater and/or common minerals for its own use, and neither is an entity recognized as a subsurface user that within a twelve-month period preceding the first day of the month of the sale of shares or participating interest has been carrying out subsequent processing (after primary processing) of at least 70 percent of the mineral raw materials mined within that period, including coal, at its own production facilities located in the Republic of Kazakhstan and/or those owned by a resident legal entity that is a related party.

F Financing Considerations

A 4:1 debt-to-equity limit applies for both Kazakhstan and non-Kazakhstan sourced financing obtained from, or guaranteed by, a related party or obtained from an entity registered in a country with a preferential tax regime. Interest on debt raised to finance construction should be capitalized.

H Indirect Taxes

Import Duties

Kazakhstan is a member state of the Eurasian Economic Union along with Russia, Belarus, Armenia and Kyrgyzstan.

The import of goods to Kazakhstan from the EAEU member states is exempt from customs duties. The import of goods from other countries is subject to customs duties at the rates established by the Common Customs Tariff of the EAEU.

As part of recent amendments to the EAEU legislation, Kazakhstan has approved a full list of goods (almost 3,900 items) that may be subject to reduced rates of import duty. Under the EAEU regulations, goods included in this list that have been imported under the release for domestic consumption customs procedure at reduced rates have the status of conditionally released goods and cannot be exported to other EAEU member states.

Export Duties

Export duties are established by each member state of the EAEU separately.

The export duty for crude oil is calculated based on the average market price of crude oil prevailing on the global crude oil markets for the previous period (from the 20th day of the month coming two months before the month of application of export duties to the 20th day of the month coming one month before). The average market price of crude oil is calculated by the authorized body for implementing tax and customs policy. Export duties for crude oil and light oil products are indicated in the table:

Average market price for crude oil in the previous periods	Rate for crude oil (US$ per ton)	Rate for light oil products (US$ per ton)
Below US$ 25/bbl	0	0
From US$ 25/bbl to US$ 30/bbl	10	3
From US$ 30/bbl to US$ 35/bbl	20	6
From US$ 35/bbl to US$ 40/bbl	35	10.5
From US$ 40/bbl to US$ 45/bbl	40	12
From US$ 45/bbl to US$ 50/bbl	45	13.5
From US$ 50/bbl to US$ 55/bbl	50	15
From US$ 55/bbl to US$ 60/bbl	55	16.5
From US$ 60/bbl to US$ 65/bbl	60	18
From US$ 65/bbl to US$ 70/bbl	65	19.5
From US$ 70/bbl to US$ 75/bbl	70	21
From US$ 75/bbl to US$ 80/bbl	75	22.5
From US$ 80/bbl to US$ 85/bbl	80	24
From US$ 85/bbl to US$ 90/bbl	85	25.5
From US$ 90/bbl to US$ 95/bbl	90	27
From US$ 95/bbl to US$ 100/bbl	95	28.5
From US$ 100/bbl to US$ 105/bbl	100	30
From US$ 105/bbl to US$ 115/bbl	115	34.5
From US$ 115/bbl to US$ 125/bbl	130	39
From US$ 125/bbl to US$ 135/bbl	145	43.5
From US$ 135/bbl to US$ 145/bbl	160	48
From US$ 145/bbl to US$ 155/bbl	176	52.8
From US$ 155/bbl to US$ 165/bbl	191	57.3
From US$ 165/bbl to US$ 175/bbl	206	61.8
From US$ 175/bbl to US$ 185/bbl	221	66.3
Over US$ 185/bbl	236	70.8

The export of crude oil is not subject to export duties in the following cases:

- Export of crude oil produced by subsurface users under subsurface use contracts that are not PSAs and that envisage exemption from customs duties for the export of crude oil, except for crude oil exported by subsurface users paying royalty;
- Export of crude oil to the EAEU member states or states that have concluded bilateral or multilateral agreements with Kazakhstan envisaging exemption from customs duties for the export of crude oil;
- Export of crude oil by subsurface users who have completed a mandatory tax audit under certain PSAs concluded with the Government of the Republic of Kazakhstan or a competent authority prior to 2009;
- Export of crude oil produced under subsurface use contracts for offshore fields located entirely in the Kazakh sector of the Caspian Sea.

Export duty rates for light oil products are calculated monthly based on the export duty rate for crude oil using a special formula. Export duty rates for most heavy oil products are calculated quarterly by the authorized trade regulatory body using a special formula. In case the average market price for crude oil decreases below US$ 375 per ton based on monthly price monitoring, export duty rates for oil products are established by the authorized trade regulatory body without applying the formula. The export of oil products is not subject to export duties in the following cases (the list is not exhaustive):

- The average market price for crude oil is below US$ 187.5 per ton;
- Oil products are exported to the EAEU member states or states that have concluded bilateral or multilateral agreements with Kazakhstan envisaging exemption from customs duties for such export.

Value Added Tax (VAT)

Kazakhstan applies a European Union-style VAT. The VAT rate has been gradually reduced from 20% in the late 1990s to 12% as of today.

Crude oil, crude and associated gas sold in Kazakhstan are subject to 12% VAT. Export sales of crude oil, crude and associated gas are subject to zero-rated VAT.

Under the Tax Code, international transportation services (including the transportation of oil and gas via trunk pipelines) are subject to zero-rated VAT.

Imports of goods and equipment from the EAEU and other countries are subject to 12% import VAT. Special tax administration rules apply to import VAT.

Registration Procedures

VAT registration, a process separate from tax registration, is either compulsory or voluntary. Resident legal entities, branches or representative offices of non-resident legal entities and private entrepreneurs must register for VAT purposes after their turnover becomes 20,000 times higher than the MCI during the calendar year. The threshold is approximately US$ 147,000 for 2023. The deadline for VAT registration is within 10 business days after the end of the month in which the turnover threshold is exceeded. Otherwise, it is possible to register as a VAT payer voluntarily before the threshold is reached or immediately upon incorporation.

Electronic VAT Invoicing

All VAT payers are obliged to issue electronic VAT invoices starting from 1 January 2019.

Place of Supply Rule

The applicability of Kazakhstan VAT is determined based on the deemed place of supply. It is important to note that under the place of supply rules, a service may be physically performed outside of Kazakhstan, but deemed to be supplied inside Kazakhstan for VAT purposes. Examples of services taxed in this way include a supply of a service related to immovable property located in Kazakhstan, or a consulting service performed outside of Kazakhstan for a customer in Kazakhstan. If the place of supply is deemed to be outside of Kazakhstan, the underlying supply is not subject to Kazakhstan VAT. The rules determining the place of supply are generally as follows:

For goods:

- The place where transportation commences, if goods are transported or mailed;
- Otherwise, the place where goods are transferred to the purchaser (it is not clear whether this involves a physical transfer or a transfer of rights);

For work and services:

- The place where immovable property is located for work and services directly related to such property;
- The place where work and services related to movable property are actually performed;
- The place of business or any other activity of the customer for the following work and services: transfer of rights to use intellectual property, consulting services, audit services, engineering services, design services, marketing services, legal services, accounting services, attorney's services, advertising services, data provision and processing services, rent of movable property (except for the rent of motor vehicles), supply of personnel (commonly referred to as "secondment"), communication work and services, etc.;
- Otherwise, the place of business or any other activity of the service provider.

Sales of goods or services that are merely auxiliary to a principal sale are deemed to take place wherever the principal sale takes place — no definition of auxiliary sales is provided in the tax legislation.

VAT Refunds

The following VAT amounts, without limitation, are refundable to a VAT payer from the budget:

- VAT paid to suppliers of goods or services that were used for the purposes of zero-rated turnover (e.g., export);
- The excess amount of reverse charge VAT in case of purchases of work or services from a non-resident;
- VAT paid to suppliers of goods, work and services that were acquired using a grant;
- The amount of cash overpayment of VAT to the state budget.

Virtual Warehouse

Created for streamlining inventory movement and calculating inventory balances, the virtual warehouse stores information on inventory in taxpayers' warehouses, electronic documents, data on movement and write-off of inventory from the virtual warehouse.

Electronic Accompanying Notes

An electronic accompanying note should be issued upon movement, supply and/or shipment of certain goods. The accompanying note should be submitted by taxpayers in the "Virtual Warehouse" module and signed with an electronic digital signature. Starting from 1 April 2022, the production and turnover of certain goods (e.g., biofuel, ethyl alcohol, tobacco products, etc.) are subject to mandatory issuance of electronic waybills. The list of goods subject to mandatory issuance of electronic waybills is established by the authorities.

Registration Fees

There are insignificant applicable fixed fees.

Starting from 1 January 2022, non-resident entities engaged in the e-commerce sale of goods and providing digital services to Kazakhstan individuals (B2C) are subject to VAT in Kazakhstan. According to the adopted changes, such non-resident entities are required to conditionally register in Kazakhstan as a VAT payer and pay VAT charges to the state budget of Kazakhstan. There is no threshold for conditional VAT registration of such non-resident entities in Kazakhstan. For the purposes of conditional VAT registration, non-resident entities engaged in the e-commerce sale of goods and providing digital services to Kazakhstan individuals (B2C) should send a confirmation letter, with certain established details, by post to the Kazakhstan tax authorities. Non-resident entities are obliged to pay the calculated VAT on the value of goods sold in electronic form for each quarter no later than the 25th day of the second month following the quarter, in which the goods were sold and the services were provided.

Non-resident entities engaged in the e-commerce sale of goods and providing digital services to Kazakhstan individuals (B2C) generally are not obliged to file VAT returns and issue VAT invoices.

I Other Taxes

There are a number of other taxes, fees and levies. Most of them are economically insignificant. The more important ones are listed below.

Payroll

Based on the Kazakhstan legislation, any income paid for work performed in Kazakhstan (regardless of whether it is paid inside or outside of Kazakhstan) is deemed Kazakhstan-source income subject to statutory payroll taxation in Kazakhstan by the tax agent (i.e., the Kazakhstan entity, branch or representative office of a foreign entity responsible for withholding and remitting income tax).

For compliance with the local legislation, host companies must run a so-called "shadow" payroll procedure to process income for work in Kazakhstan. Foreign income is processed for tax purposes only, while the net payment may be made by the home-country employer.

Personal Income Tax

Income from employment (covering both tax residents and tax non-residents), including any compensation whether received in cash or in-kind, subject to minor exceptions, regardless of the place of payment of such income, is subject to personal income tax at a 10% rate.

The taxable amount of a tax resident individual may be reduced by the amount of the minimum calculation index (MCI) multiplied by 14, which is equal to KZT 48,300 for 2023.

Income received in foreign currency is converted to KZT at the exchange rate on the day of actual payment.

Social Tax

Social tax ("ST") is an additional direct tax imposed on any Kazakhstan employer that is not earmarked for the social benefit of employees.

Employers must calculate ST at a flat rate of 9.5% of gross income, less the obligatory pension fund contributions and employee's obligatory social medical insurance contributions. The minimum monthly tax base for ST per employee is the amount of MCI ("MCI"[11]) multiplied by 14.

ST must be remitted to the state budget on a monthly basis by the 25th day of the month following the tax period.

[11] Starting from 1 January 2023, 1 MCI is equal to KZT 3,450.

Monthly social insurance contributions are deducted from the monthly social tax liability (see *Social Insurance Contributions*).

Social Insurance Contributions

Employers must make social insurance contributions ("SIC"), which are a part of the social tax, at the rate of 3.5% of income paid to (i) Kazakhstan citizens and repatriated ethnic Kazakhs, (ii) foreigners with a residence permit, and (iii) individuals who are citizens of the member states of the Eurasian Economic Union and work under employment contracts in Kazakhstan.

For 2023, income received in excess of 7 MMSs[12] (KZT 490,000/ approximately US$ 1,060) per month is not subject to SIC. The minimum monthly tax base for obligatory SIC per employee is one MMS.

Employer and Employee Obligatory Social Medical Insurance Contributions ("OSMIC")

Employers must make, at their own expense, employer contributions to the Social Medical Insurance Fund on a monthly basis at the rate of 3% (starting from 1 January 2022) of income paid to employees (applicable to Kazakhstan citizens, repatriated ethnic Kazakhs, citizens of the Eurasian Economic Union member states and foreign citizens holding a Kazakhstan residence permit).

In addition to employer OSMIC, the employer being a tax agent should withhold and remit to the Social Medical Insurance Fund monthly contributions from the income of employees (Kazakhstan citizens, repatriated ethnic Kazakhs, citizens of the Eurasian Economic Union member states and foreign citizens holding Kazakhstan residence permit) at 2% of such employee's income.

For 2023, income subject to employer and employee OSMIC is capped at 10 MMSs (KZT 700,000/approximately US$ 1,500) per month. The minimum monthly tax base for OSMIC per employee is one MMS.

Obligatory Pension Fund Contributions

Obligatory pension fund contributions (OPFC) at the rate of 10% of the gross salary of employees (Kazakhstan citizens, repatriated ethnic Kazakhs citizens of the Eurasian Economic Union member states and foreigners with a Kazakhstan residence permit) must be withheld and remitted to the pension fund by the employer on a monthly basis. For 2023, income received in excess of 50 MMSs (KZT 3,500,000/ approximately US$ 7,500) per month is not subject to OPFC. Obligatory pension fund contributions are deductible for PIT, ST and SIC purposes.

Obligatory Professional Pension Contributions

Under the Kazakhstan Law on Pension Coverage, employers must also make at their own expense professional pension fund contributions at the rate of 5% of the gross salary of employees of certain professions in certain sectors, including, without limitation, mining, oil and gas, pharmacy and consumer goods manufacturing.

According to the Kazakhstan legislation, all Kazakhstan tax agents paying income to individuals under service agreements should withhold 10% PIT, 10% OPFC and 2% OSMIC calculated on income paid under the service agreement.

Payroll Legislation Update

We would like to draw you attention to the fact that the introduction of mandatory pension contributions at the expense of employers has been postponed until 2024. Specifically, these payments are planned to be carried out from the employer's own funds to the benefit of employee and will be calculated from the employee's monthly gross income at the rate of 1.5% (starting from 1 January 2024) with an annual increase until 5% is achieved in 2028.

Starting from 2023, a single payment from wages is introduced for individual entrepreneurs and legal entities that are subjects of micro and small businesses which operate under certain special tax regimes (simplified regime, tax regime for producers of agricultural goods). A single payment can be applied by the tax agent as an alternative to the standard taxation rules. The tax agent has a right to choose which calculation rule to apply. The rate for a single payment from wages in 2023 is set at 20% with an annual increase until 26.3% is achieved in 2028.

Property Tax

Property tax is charged at the rate of 1.5%. Basically, this tax applies to immovable property. The applicability of the property tax to specific properties of a subsurface user should be additionally researched.

Contract Transfers

The Kazakhstan Government has a right of first refusal for transfers of subsurface use rights and securities issued in the established securities market linked to subsurface use rights, in respect of oilfields of strategic importance.

---

12 MMS = Minimum monthly salary. Starting from 1 January 2023, 1 MMS = KZT 70,000.

Transfer Pricing

Kazakhstan's transfer pricing (TP) legislation has wide applicability for all businesses. The impact on subsurface users is particularly strong.

TP rules apply to all cross-border transactions even if the parties are unrelated. TP rules also apply to certain types of domestic transactions if they are related to cross-border transactions, e.g., to subsurface users' domestic sales of hydrocarbons and minerals that are subsequently exported.

The TP law[13] prescribes the following methods for determining market prices:

- Comparable uncontrolled price method;
- Cost plus method;
- Resale price method;
- Profit split method;
- Net margin method.

Except for transactions involving agricultural products, no "safe harbor" is allowed in terms of deviation from a market price, although the TP law recognizes that there may be a range of market prices. In determining market prices under the comparable uncontrolled price method, adjustments to prices are allowed in at least some cases, except where one of the parties to a transaction is registered in a tax haven.

There are several compliance requirements that apply to taxpayers, including subsurface users, depending on the type of the taxpayer and its revenues:

1. TP monitoring reporting (the deadline is 15 May of the year following the reporting year);
2. Notification of participation in a multinational group (before 1 September of the year following the reporting year);
3. Three-tier TP reporting, including:
   - Country-by-country reporting (within 12 months following the reporting year or upon request);
   - Master file (within 12 months upon request);
   - Local file (within 12 months following the reporting year);
4. General TP documentation (upon request).

[13] The Law of the Republic of Kazakhstan On Transfer Pricing No. 67-IV dated 5 July 2008.

Contacts

Dinara Tanasheva
Partner, Tax & Law Services Leader for Kazakhstan and Central Asia
Tel: +7 (727) 258 59 60
dinara.s.tanasheva@kz.ey.com

Anuar Mukanov
Partner, Head of the Transfer Pricing Services Department
Tel: +7 (727) 258 59 60
anuar.mukanov@kz.ey.com

Roman Yurtayev
Partner, Head of the Business Tax Advisory Services Department
Tel: +7 (727) 258 59 60
roman.yurtayev@kz.ey.com

Vladimir Fesenko
Partner, Head of the People Advisory Services Department
Tel: +7 (727) 258 59 60
vladimir.fesenko@kz.ey.com

Doniyorbek Zulunov
Partner, Head of the Transaction Tax Services Department
Tel: +7 (727) 258 59 60
doniyorbek.zulunov@kz.ey.com

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

EY works together with companies across Caucasus and Central Asia and assists them in realizing their business goals. More than 1,700 professionals work at 8 offices (in Almaty, Astana, Atyrau, Baku, Bishkek, Tashkent, Tbilisi, Yerevan).

ED None

ey.com/kz