

**On establishment of the special economic zone "Saryarka"**

Decree of the President of the Republic of Kazakhstan dated November 24, 2011 No. 181

Subject to be published in
Collected Acts of the President and the Government
of the Republic of Kazakhstan

In accordance with the Item 8 of the Article 7 of the Law of the Republic of Kazakhstan of July 21, 2011 "On special economic zones in the Republic of Kazakhstan", **I issue this Decree.**

1. To establish the special economic zone "Saryarka" (hereinafter - SEZ) until December 1, 2036.
2. To approve the following:
 - 1) Regulation on SEZ;
- 2) target performance indicators of SEZ and critical non-achievement level of target indicators.
3. The Government of the Republic of Kazakhstan shall approve:
 - 1) relevant regulatory legal acts, implied in the present Decree;
 - 2) other measures to implement the present Decree.
4. Administration of the President of the Republic of Kazakhstan shall be responsible for control of implementation of this Decree.
5. This Decree shall come into force from the date of its signature.

President

of the Republic of Kazakhstan N. Nazarbaev

APPROVED BY
the Decree of the President
of the Republic of Kazakhstan
dated November 24, 2011 No. 181

**REGULATION
on special economic zone "Saryarka"****1. General provisions**

1. Special economic zone "Saryarka" (hereinafter - SEZ) is located on the territory of Karaganda and at adjoining parts of Bukhar Zhyrau region of Karaganda oblast according to the attached plan.

The territory of SEZ is 534.9 hectares and is an integral part of the territory of the Republic of Kazakhstan.

2. SEZ is created for:

- 1) development of metal industry and metal trades, in particular, production of finished goods by involving the manufacturers of the world brands;
- 2) development and implementation of breakthrough investment projects to create metal

industry and metal trades of the world level on deep processing of hydrocarbon raw materials and production of a wide range of competitive products with high added value

3) quality improvement and manufactured product expansion.

4) integration of the Kazakh products in the world system of production and distribution, creation of an innovative, competitive domestically produced products in accordance with international standards;

5) establishment of high band innovative industries, including high-tech and competitive industries, development of new products.

6) development and implementation of research and scientific and technical investment projects to create and develop industries and technologies on deep processing of hydrocarbon raw materials;

7) creation of a favourable investment climate, and attracting national and foreign investments to implement investment projects;

8) attracting of investments to construction and complex developemnt of metal industry on the basis of mechanisms of partnerships between state and private business;

9) accelerated development of the region to promote the economy of the country entering the global economic relation system;

10) improvement of regulations of market relations, introduction of modern administration and economic management methods;

11) finding solution of social problems, increasing the employment rate.

3. SEZ activities are regulated by the Constitution of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan dated July 21, 2011 "On special economic zones in the Republic of Kazakhstan", this Regulation and other regulatory legal acts of the Republic of Kazakhstan.

4. Priority activities on the territory of SEZ are:

1) metal industry;

2) production of finished metal products, except for machinery and equipment;

3) production of engines and turbines, except for aviation, auto and motor-cycle engines;

4) production of motor vehicles, trailers and semitrailers;

5) production of computers, electronic and optical products;

6) production of electrical equipment;

7) production of chemical products;

8) production of rubber and plastic products;

9) production of construction materials and non-metallic mineral products;

10) production of hydraulic equipment;

11) production of other pumps, compressors, plugs and valves ;

12) production of other cranes and rectifier valves;

13) production of bearing boxes, gear wheels, gear components and drive units;

14) production of plates, furnaces and kiln burners;

15) production of lifting and shipping equipment;

16) production of manual electric tools;

17) production of industrial chilling and ventilating equipment;

18) production of purifiers for liquid minerals;

19) production of equipment for manufacture, dispersion or atomization of liquid minerals or powders;

20) production of purification equipment for oil refining, chemical industry, and beverage

industry;

- 21) production of centrifuge (except for cream separators and drying units);
- 22) production of water cooling towers for direct cooling by recirculating water;
- 23) production of agricultural and forestry technical units;
- 24) production of fabricating equipment;
- 25) production of other metal-working machines;
- 26) production of machinery and equipment for metallurgy;
- 27) production of equipment for mining industry, underground working and construction;
- 28) production of equipment for processing of food, beverages and tobacco;
- 29) production of equipment producing textile, garment, fur and leather products;
- 30) production of equipment producing paper and cardboard;
- 31) production of equipment for processing of rubber, plastic and other polymeric materials.

Footnote. Item 4 is in the wording of the Decree of the President of the Republic of Kazakhstan dated 31.07.2014 No. 872.

2. SEZ management

5. SEZ management shall be conducted in accordance with the Law of the Republic of Kazakhstan of July 21, 2011 "On special economic zones in the Republic of Kazakhstan".

6. SEZ management is provided by the Managing Company, created in organizational and legal form of Joint Stock Company to ensure operation of SEZ.

3. Taxation on the territory of SEZ

7. Participants of SEZ are taxable and have to make other obligatory payments to the budget in accordance with the Code of the Republic of Kazakhstan dated December 10, 2008 "On Taxes and Other Obligatory Payments to the Budget(Tax Code)".

4. Customs regulation

8. Customs regulation on the territory of SEZ is carried out in accordance with the provisions of the customs legislation of the Customs Union and (or) of the Code of the Republic of Kazakhstan dated June 30, 2010 "On Customs Affairs in the Republic of Kazakhstan" (hereinafter - the Code).

9. The customs procedure of customs-free zone is applied on the whole territory of SEZ.

The customs procedure of customs-free zone includes goods intended for distribution and (or) use on the territory of SEZ by persons carrying out priority activities on the territory of SEZ in accordance with the agreement on activities performed as a member of SEZ.

10. The territory of SEZ is a customs control zone. The boundaries of SEZ are built up along the perimeter of its territory with the help of special fences to perform the customs control.

11. Places for temporary storage of goods can be created on the territory of SEZ in accordance with the procedure as provided for by the customs legislation of the Customs Union and (or) the Code.

12. Goods included into the customs procedure of customs-free zone, and goods of the Customs Union, not included into the customs procedure of customs-free zone, and foreign goods included

into other customs procedures can be distributed and used on the territory of SEZ.

13. Goods imported into the territory of SEZ and included into the customs procedure of customs-free zone shall be considered as goods which are outside the customs territory of the Customs Union to use customs duties and taxes, and non-tariff regulation measures.

14. Customs operations related to temporary storage, customs declaration, customs clearance and release of goods, and customs control on the territory of SEZ shall be carried out in accordance with the procedure as provided for by the customs legislation of the Customs Union and (or) the Code.

5. Environmental Protection

15. SEZ activities is carried out in accordance with the Environmental Code of the Republic of Kazakhstan dated January 9, 2007 and international conservation and environmental standards.

6. Legal Protection Guarantees of the participants of SEZ

16. Participants of SEZ are guaranteed with protection of rights and interests, which is provided by the Constitution of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan dated July 21, 2011 "On special economic zones in the Republic of Kazakhstan", the Law of the Republic of Kazakhstan dated January 8, 2003 "On investments" and other regulatory legal acts of the Republic of Kazakhstan, and international treaties ratified by the Republic of Kazakhstan.

7. Procedure and terms of SEZ abolition

17. SEZ shall be abolished after the expiry of the date when it was created. SEZ is abolished by the Decree of the President of the Republic of Kazakhstan identified by the Government of the Republic of Kazakhstan.

18. Pre-term abolition of SEZ shall be conducted in accordance with the Law of the Republic of Kazakhstan of July 21, 2011 "On special economic zones in the Republic of Kazakhstan".

8. Final Provisions

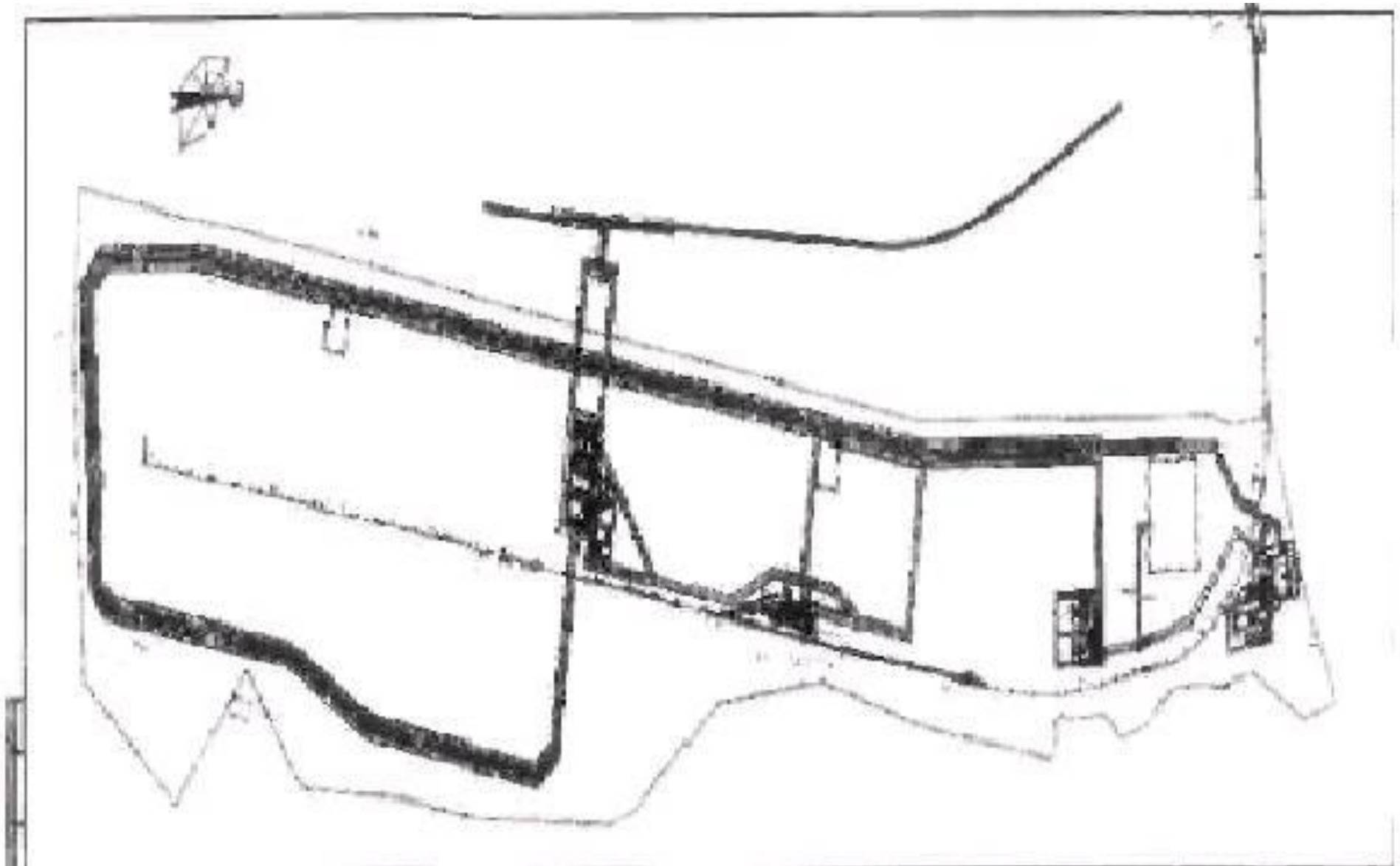
19. SEZ activities not regulated by this Regulation shall be conducted in accordance with the current Law of the Republic of Kazakhstan and the Customs Union.

ATTACHMENT

to the Regulation on the special economic zone
"Saryarka", approved by the Decree
of the President of the Republic of Kazakhstan
dated November 24, 2011 No. 181

PLAN

of the territory of the special economic zone "Saryarka"



APPROVED BY
the Decree of the President
of the Republic of Kazakhstan
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Target performance indicators of the special economic zone "Saryarka" and critical non-achievement level of target indicators.

Item No.	Goals, objectives and performance (names)	Unit	Base period (2012)	Achievement by 2015, including		Achievement by 2020, including	
				target indicator	critical level	target indicator	critical level
1	2	3	4	5	6	7	8
1	Total volume of investments, including:	billion tenge	-	7	3,5	80	40
1.1.	Volume of foreign investment	billion tenge	-	4,9	2,45	56	28
1.2.	Volume of domestic investment	billion tenge	-	2,1	1,05	24	12
2	Production of goods and services (works)	billion tenge	-	5,84	2,92	210,6	105,3
3	Number of participants	Company	-	8	4	14	7
4	Number of persons engaged in supplementary activities	people	-	150	75	250	125
5	Number of jobs	man	-	500	250	1720	860
6	Local content share in total production	%	-	18	9	40	20

Table continued

Achievement by 2025, including		Achievement by 2030, including		Achievement by 2037, including	
target indicator	critical level	target indicator	critical level	target indicator	critical level
9	10	11	12	13	14
210	105	345	172,5	372	186
147	73,5	214,5	120,4	260,4	130,2
63	31,5	103,5	52,1	111,6	55,8
895,1	447,55	1904,0	952	4212,6	2106,3
19	10	24	12	30	15
300	150	325	162	400	200
4000	2000	6000	3000	10000	5000
50	20	60	30	70	35

Note

Indicators performance is shown on a cumulative total;
during calculation the following exchange rate is used: 1 USD - 147 tenge.

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