

The market research

April 2023

Fintech in Kazakhstan



FINTECH
CONSULT



RISE is the business intelligence and research firm that collects and analyses data on fintech, venture capital markets, innovation ecosystems, trends and best practices.

Our platform is designed to help businesses stay up-to-date with the latest trends and insights in the industry, giving them a competitive edge.

- ▶ Deep-diving research into startups, investments, tech hubs, and innovation
- ▶ Technology scouting
- ▶ Startup valuation and due diligence
- ▶ Trendwatching

<http://rise.com.kz/> →



Fintech Consult is an international team of fintech founders, experts and investors from the cities of Almaty, Amsterdam, Doha, Dubai, Frankfurt, Hong Kong, Kigali, Seoul, Singapore, Tel Aviv, Vienna, and Vilnius.

We specialise in assisting fintech companies to expand their reach globally by providing market studies, research, and connecting them to potential investors, clients, partners, and peers. We facilitate corporates and fintech companies in exploring innovation and managing the digital transformation process by bringing them together in the most innovative cities worldwide.

A selection of our clients:



<https://fintech-consult.com//> →

MOST is a focal point for startups and investors from all over the world looking to expand their business in Kazakhstan and Central Asia

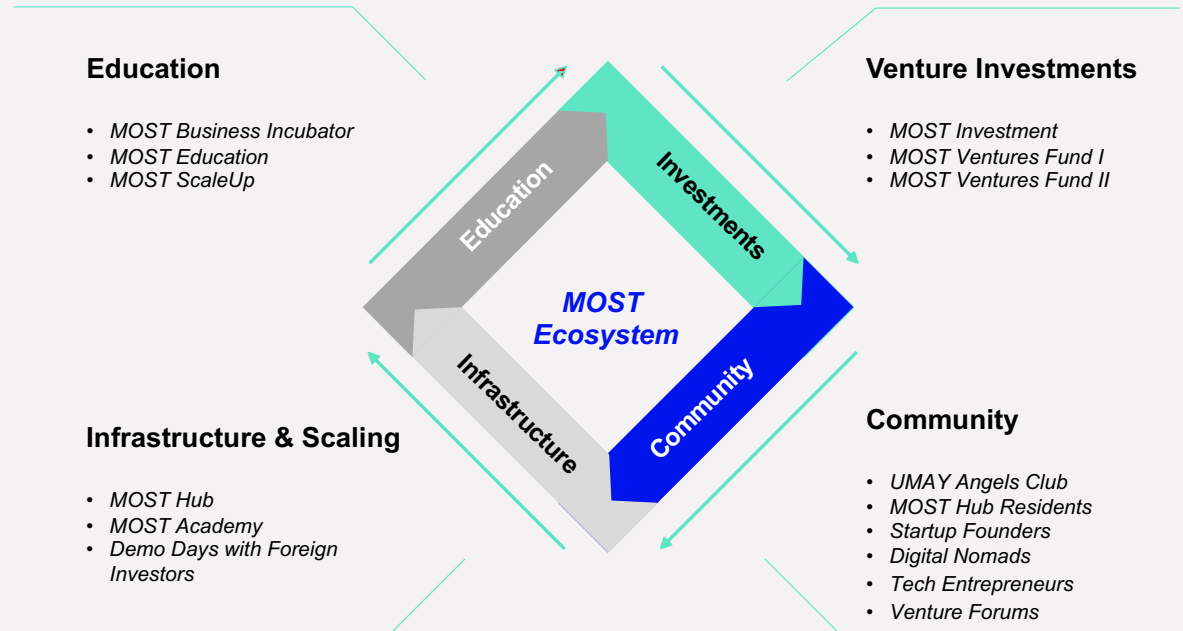


MOST is a private business incubator and venture fund in Kazakhstan that has been providing support for technology entrepreneurs, investors, and corporations since 2011.

MOST has played a significant role in building an ecosystem for entrepreneurs by providing knowledge and infrastructure. Moreover, with its launch of own venture funds, MOST is also committed to investing in promising technology startups from Central Asia, Central and Eastern Europe, the Caucasus, and the Middle East.

MOST brings together founders, mentors, experts, representatives of corporations, investors and business angels on one platform.

<https://mostfund.vc/> →



Executive summary

Market and Infrastructure

- ▶ Advanced telecom network with **broadband and mobile** services, widespread **mobile and smartphone usage**, and a **well-developed payment infrastructure** with easily accessible points
- ▶ **Consumers actively use online/mobile banking services**, as well as **non-cash payment methods** and **they are ready to adopt and pay for new fintech services**
- ▶ The Government of Kazakhstan shows a strong commitment to developing the country's fintech industry **by creating the necessary infrastructure and implementing digital reforms, supported by effective governance and regulation**
- ▶ **Traditional banks dominate the fintech market**, with institutions continually improving their digital capabilities
- ▶ The country benefits from a **pool of IT specialists, whether locally grown or imported, with technical universities and fintech businesses collaborating**

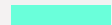
9 Fintech Trends

- ▶ **Digital payments and e-commerce** are growing rapidly due to technological advancements, regulations, high demand, and market competition
- ▶ An increase in **ecosystem and superapp** adoption, with a high percentage of the population actively using mobile banking services
- ▶ **Govtech – banking apps are being used as access points to government services**, simplifying the process for citizens and benefiting both banks and the government
- ▶ Kazakhstan is exploring **CBDC, DeFi, and digital assets**
- ▶ **Buy Now, Pay Later** services are gaining popularity
- ▶ **Neobanking** is emerging as a trend. Moving from interesting concepts to actual implementations, the telecom industry serves as a hotspot
- ▶ **Digital SMEs** and non-banking support for SMEs are on the rise
- ▶ **Democratisation of capital markets**
- ▶ The number of **fintech startups is increasing**, they are shifting towards B2B partnerships rather than disrupting the financial sector

Regulations and Market Entry

- ▶ Kazakhstan is an **attractive financial center for fintech** due to specific regulations
- ▶ The country has a classic fintech stakeholder setup, however, it is unique in Central Asia since there are **two different jurisdictions with two regulators**
- ▶ AIFC has advantages such as **tax optimisation, a special labor regime, a single-window system for issuing visas, work permits**, etc

A combination of a favorable business environment, strong banking infrastructure, supportive government policies and fintech regulations, along with a tech-savvy population, makes Kazakhstan an attractive destination for foreign fintech investors and companies seeking growth opportunities



Contents

Kazakhstan market overview	6
Major fintech trends	12
Regulation and market entry	28
Contacts and team	34

Market Overview



Demographics

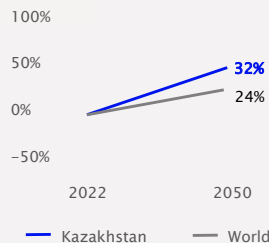
(Source: United Nations)

Population 2022

19.7 mln



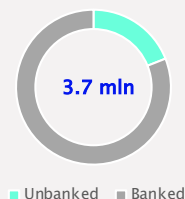
Expected population growth 2022 vs 2050



Financial Inclusion

(Source: World Bank / IFC)

Unbanked Population, 2021 (% of population over 15 years old)



MSME Credit Gap 2021

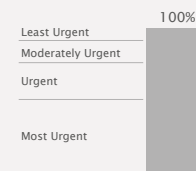


Fintech Opportunities

(Source: World Bank)

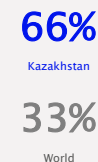
Biometrics

Birth Registration, 2021
(% of children under 5 who
are registered)



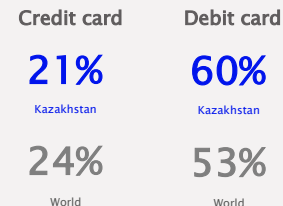
Alternative Credit Scoring

**Private Credit Bureau Coverage,
2019** (% of population covered by
private credit agencies)



Credit and Debit Card Penetration

2021 (% of population owns a credit
and debit card, age 15+)



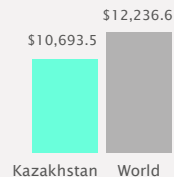
Economy

(Source: IMF / World Bank / Bureau of National Statistics)

GDP (2021)

\$203 bln

GDP per capita, 2021



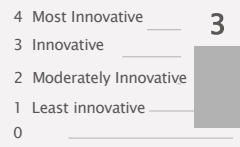
Fintech Ecosystem

(Source: World Bank / Global Innovation Index)

Time to Start a Business (in days), 2019



Innovation Index

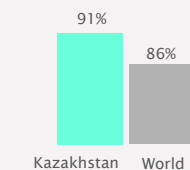


Fintech Infrastructure

(Source: ITU)

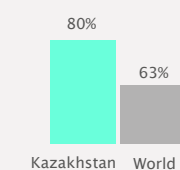
Mobile Phone Density 2021

Own a mobile phone (% age 15+)



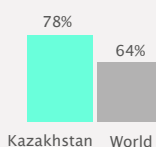
Internet Use Density 2021

Has access to the internet
(% age 15+)



Digital Payments 2021

(% age 15+)



“

Fintech plays a crucial role in Kazakhstan's venture capital ecosystem, as it fosters local businesses, attracts investors, and promotes innovation and economic development. The success of established companies like Kaspi.kz and emerging startups such as OneVision has led to a surge in investments in the fintech industry.

OneVision, a fintech company that offers a wide range of online payment services, was established in 2021 and has since expanded its operations to Kazakhstan, Azerbaijan, Uzbekistan, and Kyrgyzstan. The success of these businesses shows how homegrown startups have the potential to have a big market impact and create a healthy ecosystem.

As more entrepreneurs create novel solutions, they strengthen the entire financial system and narrow the financial inclusion gap. Consequently, Kazakhstan is well-positioned to emerge as a regional hub for innovation and venture capital”



Pavel Koktyshev,
Managing Partner,
MOST Ventures

“

Kazakhstan's fintech market stands out as the largest in Central Asia, with remarkable growth rates that place it among the fastest-growing fintech markets in Asia. This thriving industry owes its success to the government's explicit support, notably through the Astana International Financial Centre. As our partners, we strive to enable Kazakh fintechs to expand globally while providing all necessary support for international fintechs seeking to enter Kazakhstan's market. We are passionate about showcasing the incredible potential of fintech in Kazakhstan to a wider international audience. For us, this is a matter of the heart”



Dr. Jochen Biedermann
Managing Partner,
Fintech Consult

Kazakhstan is a leader in improving financial inclusion in the region. Its strong levels of account and internet access are important drivers of digital payments usage

Internet penetration 2021

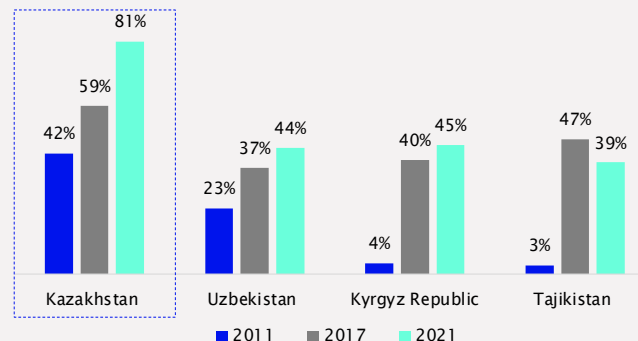
80% Kazakhstan

59% Uzbekistan

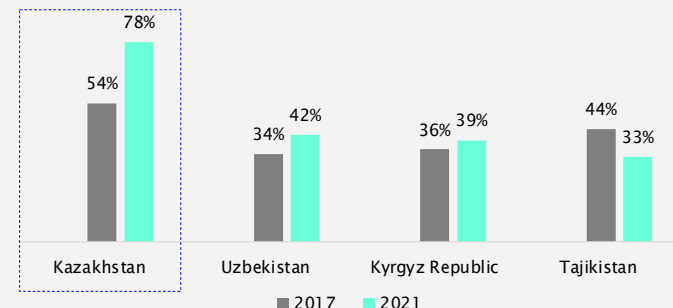
85% Kyrgyzstan

38% Tajikistan

Own an account, (% age 15+)



Made or received digital payments, (% age 15+)



E-commerce market size, mln USD 2021

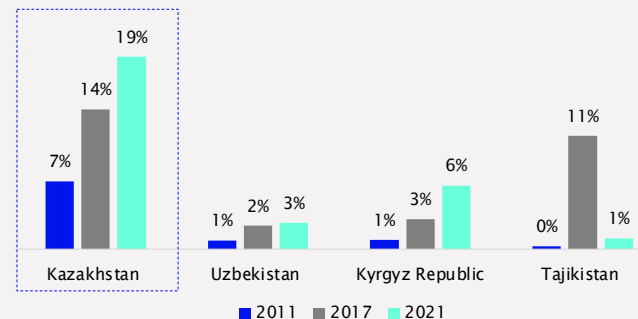
2626 Kazakhstan

644 Uzbekistan

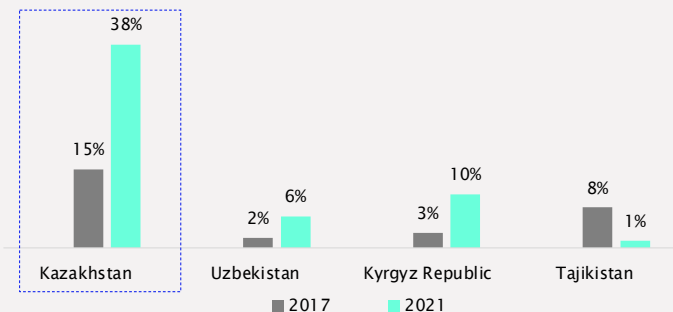
162 Kyrgyzstan

55 Tajikistan

Saved at a financial institution, (% age 15+)



Used mobile phone/internet to buy something online, (% age 15+)



Source: KPMG (2021); Findex by World Bank (2022)

The Government of Kazakhstan shows strong commitment to develop the country's fintech industry by creating necessary infrastructure and implementing the digital reforms

For the past decade, Kazakhstan Government has affirmed the strategic plan to develop policies towards the development of a digital economy and innovations through the adoption of several state programs, aimed at the acceleration of technological modernization of the economy



Market map

21 BANKS



Kaspi is a superapp. The largest Payments provider, Marketplace and Fintech Ecosystem with leading market share in each of its key products and services (75% of all non-cash transactions).

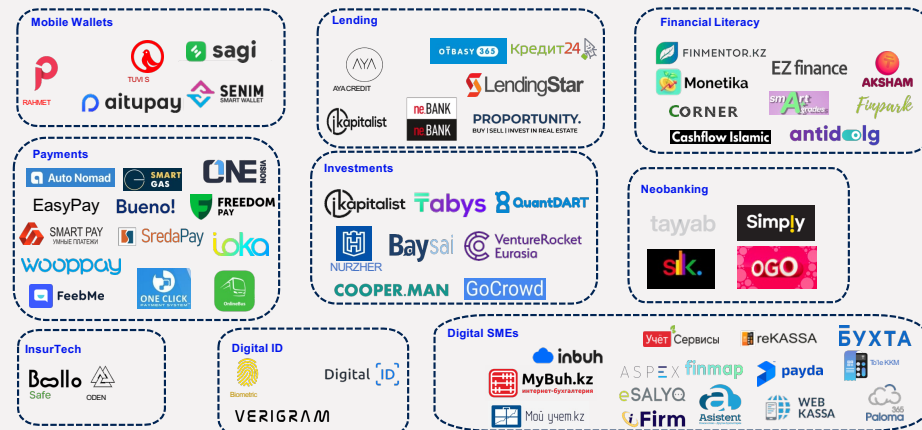
The financial services industry and innovations in the market are primarily driven by traditional banks, which have embraced digitalization and technology to maintain the lead in a highly competitive market.

236 MFOs



Microfinance sector has seen significant growth during the past 3 years. The number of microfinance organizations operating in the country has increased by 20%, and the average loan size has increased by 30%.

150+ FINTECHS



Source: Tech Hub AIFC (2020) "The Fintech startups landscape in Kazakhstan"

TELCO and Established enterprises



Established enterprises in telco, payments, investing, etc. experimenting with product development, expanding and impacting the fintech domain.



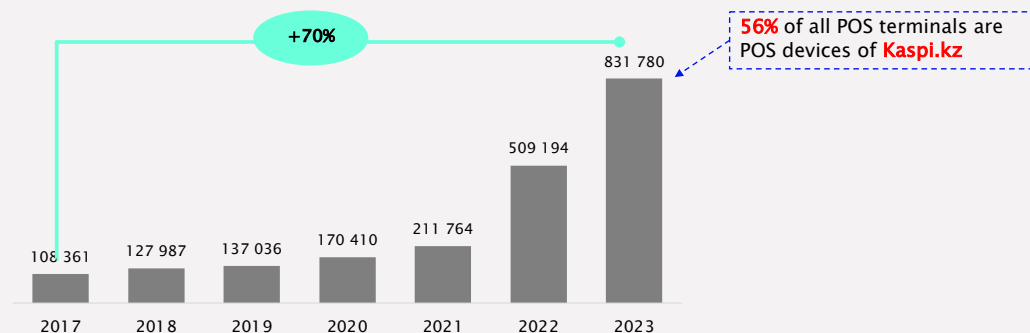
Major Fintech Trends



Trend 1: Digital payments and e-commerce have experienced rapid growth due to technology, regulations, high demand, and market competition

- The National Bank launched the **Instant Payment System** as an important add-on to real-time gross settlement.
- The National Bank is implementing a **National Platform for Biometric Identification**, granting access to digital platforms for biometric data, digital consent, and KYC services.
- The regulator is developing an **Open API platform** to enable secure information exchange among banks and payment service providers based on open interfaces.
- The development of new forms of payment, such as **QR codes**, is becoming more popular among consumers and merchants as a convenient and low-cost way to make transactions. The transition to a **single QR code standard** will enhance the interoperability and security of QR code payments.

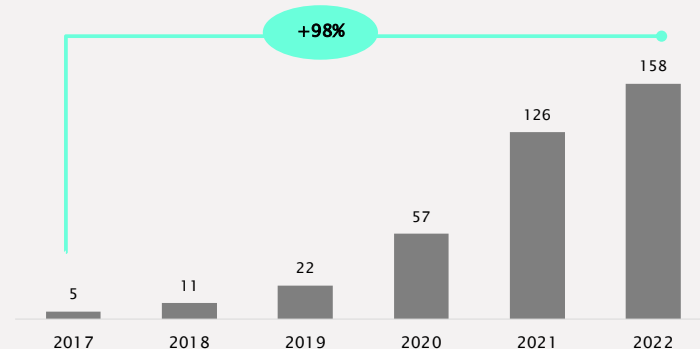
Number of POS devices, February 2017 – 2023



Source: National Bank of Kazakhstan, Kaspi.kz

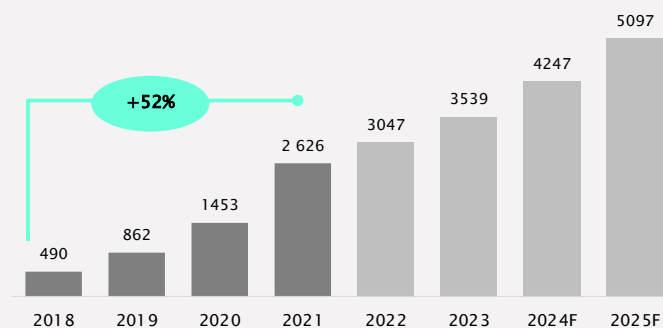
X CAGR

Volume of cashless transactions, 2017 – 2022, bln USD



Source: National Bank of Kazakhstan

E-commerce turnover, 2018 – 2025, USD mln

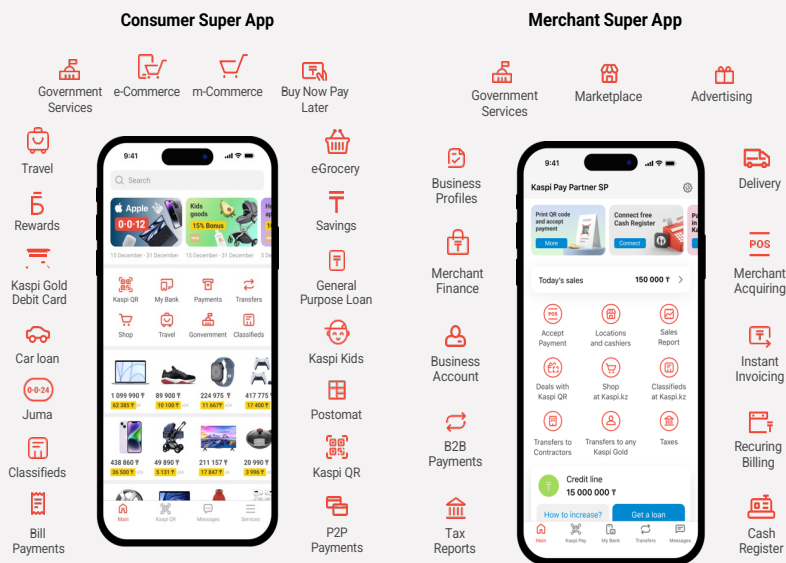


Source: KPMG

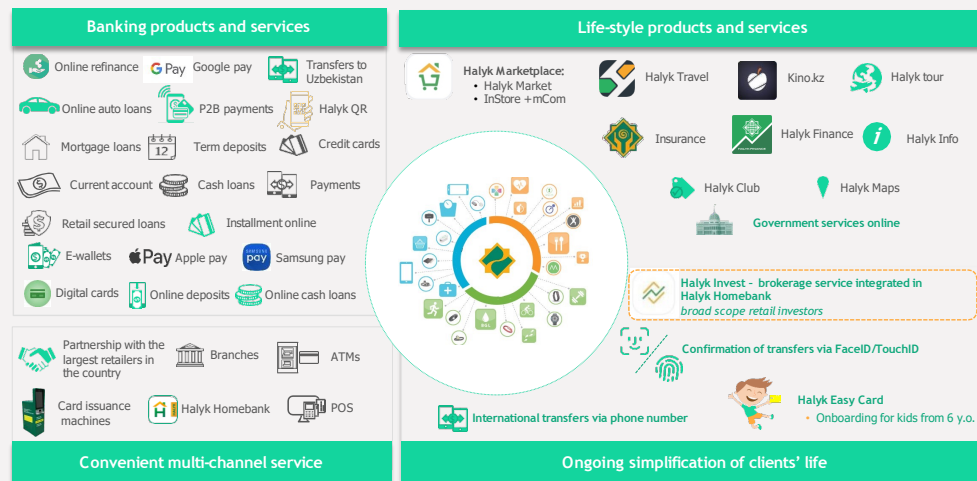
Trend 2: Kazakhstan is experiencing a rise in the ecosystem and superapp adoption, with 86% of the population actively using mobile banking services

Ecosystem services are gaining momentum in Kazakhstan's banking industry, enabling banks to offer customers a range of services through a single application. These services combine various financial and non-banking services, including online payments, mobile banking, e-commerce, investment, insurance, etc. The competition among banks to provide more services integrated into their ecosystems is intense, with Kaspi.kz being a pioneer in this area since 2014. To keep up with the trend, five more banks in the country have recently opened their e-commerce platforms.

Kaspi.kz' ecosystem

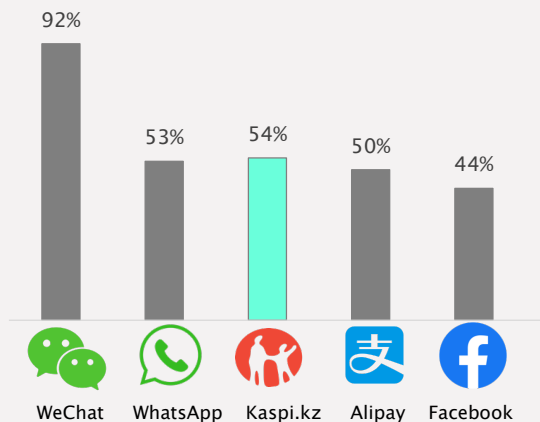


Halyk Bank' ecosystem

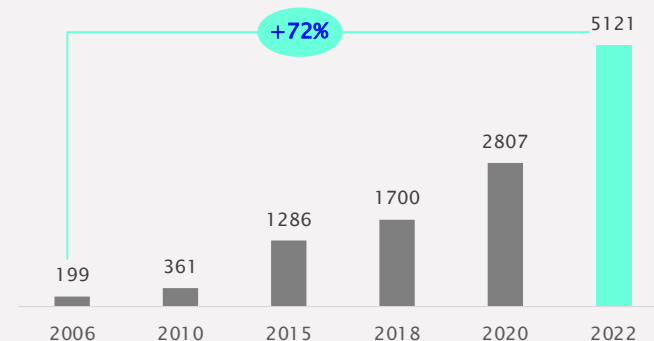


An example of rapid and successful disruption, by all meaningful metrics, Kaspi is a huge success – it has 11.2 mln monthly active users in the country with just 19.7 mln people

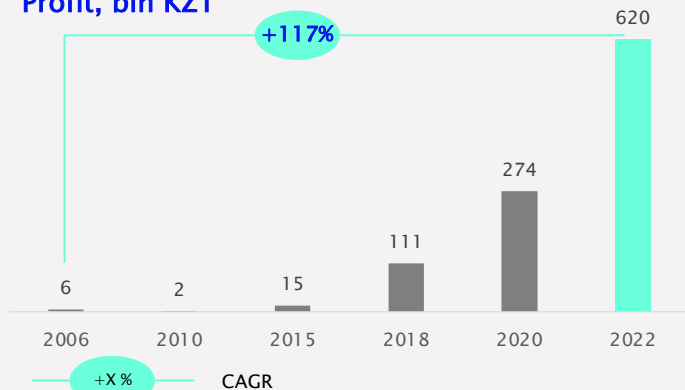
Daily active users as % of Monthly active users, 2020



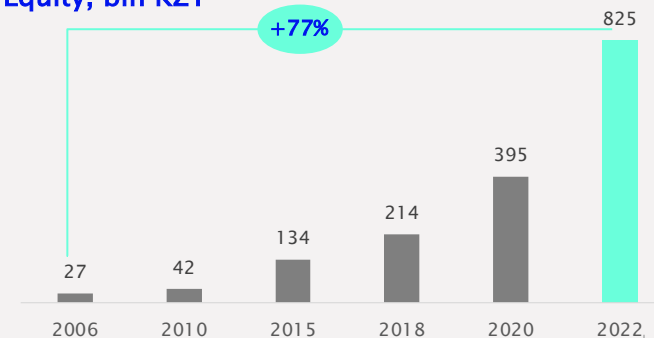
Assets, bln KZT



Profit, bln KZT



Equity, bln KZT



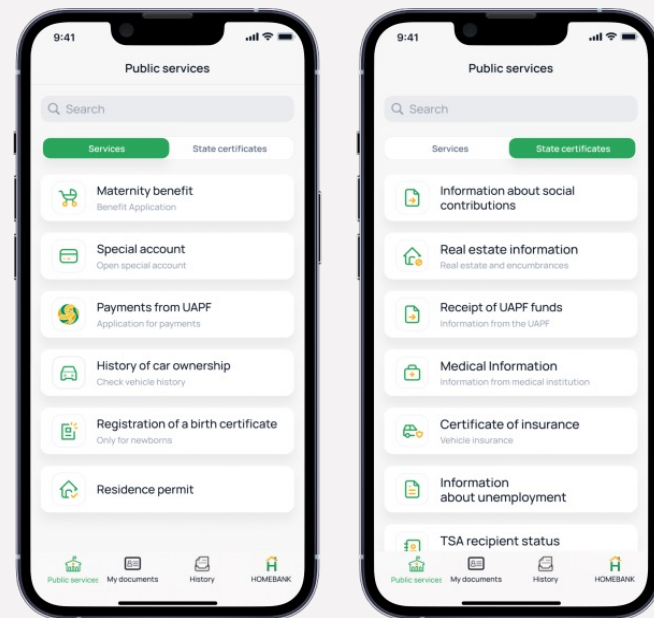
Source: Kaspi.kz annual reports, public sources

Trend 3: Banking applications are being used as access points to government services, simplifying the process for citizens and benefiting both banks and the government

There has been an increase in the number of projects related to the integration of financial organizations and government services. The government views financial organizations as access points to government services and digital documents, which is beneficial for both banks and the state. Banks increase transactional activity and cross-sales, while the government gains access to the distribution channels of banks and their digital services.

Digital documents and online government services are available on some of Kazakhstan's banking apps

- ▶ State ID
- ▶ Birth certificate
- ▶ Child's birth certificate
- ▶ Marriage certificate
- ▶ Name change certificate
- ▶ Divorce certificate
- ▶ Pensioner's certificate
- ▶ Vaccination passport
- ▶ PCR results
- ▶ etc.
- ▶ Deregistration at the place of residence
- ▶ Submission of a tax declaration
- ▶ Compensation for KZT deposits
- ▶ Notification about a failure of a tax declaration submission
- ▶ Checking information about labor contracts
- ▶ One-time pension withdrawal
- ▶ Maternity benefits
- ▶ Registration of an Individual Entrepreneurship
- ▶ Car history
- ▶ Car selling and registration
- ▶ Birth certificate application
- ▶ Registration at the place of residence
- ▶ A compulsory social contribution statement
- ▶ A real estate statement
- ▶ Medical statements



Source: Halyk Bank annual reports

Trend 4: Central Bank Digital Currency (CBDC) – Digital Tenge, DeFi and Digital Assets

CBDC – Digital Tenge

- The National Bank is currently in the process of developing a retail CBDC – Digital Tenge, aimed at providing a new payment option. To achieve this goal, they are creating a minimum viable product platform, conducting in-depth economic impact studies, and collaborating with market players. This year the Digital Tenge is being piloted with real consumers and merchants.
- The Digital Tenge will use an open-source distributed ledger and be issued in token form. Payment options will include NFC, QR codes, biometrics, and offline methods.

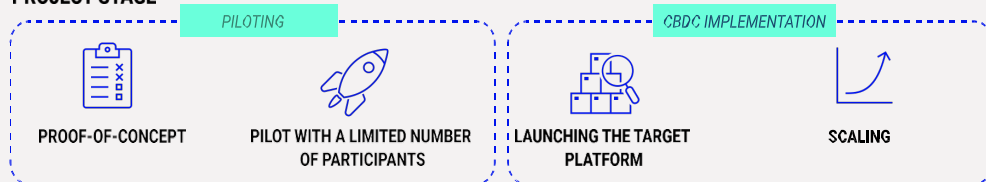
DeFi and Digital Assets

- AIFC is creating regulations for centralized crypto exchanges, ensuring consumer protection and compliance with AML/CFT and anti-fraud measures.
- AIFC is piloting crypto exchanges with government involvement, allowing interaction with second-tier banks and services for Kazakhstani citizens and legal entities.
- The regulatory sandbox is used to test DLT and DeFi services.

*AIFC – Astana International Financial Centre

Digital Tenge Roadmap

PROJECT STAGE



DESCRIPTION

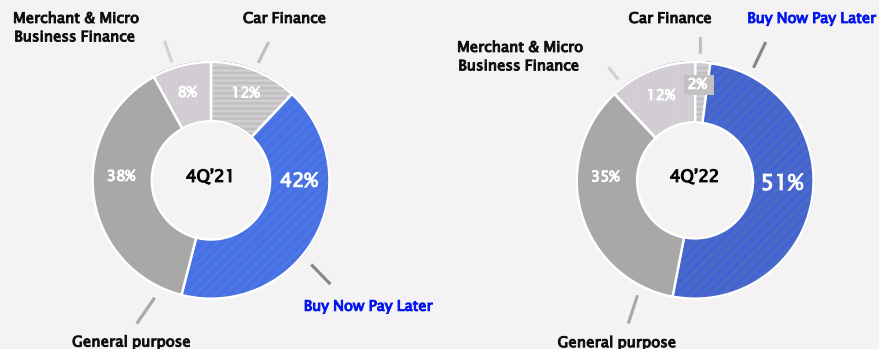


Source: National Bank Payment and Financial Technologies Development Center

Trend 5: Buy Now, Pay Later

In Kazakhstan, there is a growing trend toward the launch of Buy Now, Pay Later (BNPL) services. This payment instrument provides customers with the convenience of not having to make the full payment at the time of purchase, mitigating the financial burden. Kaspi.kz was the first company to introduce BNPL services in the country, and it has seen significant growth since its launch. The success of Kaspi's BNPL service has prompted other players to enter the market, with several companies now offering similar services.

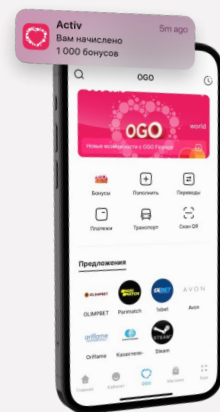
Breakdown of Kaspi.kz' total value of loans to consumers, 2022



Source: Kaspi.kz annual reports

Trend 6: Neobanking

Showing signs of acceleration. Moving from interesting concepts to actual implementations, certain industries and markets serve as hotspots – Simply by Beeline, OGO Bank by Kcell.



OGO Finance is a neobank from **Kcell**, a telecom company. They offer various products such as credit, deposit, and a multicurrency OGO Card.

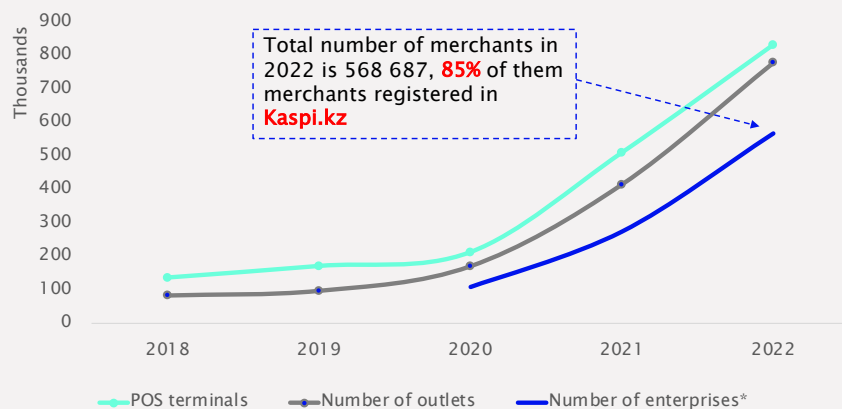


Simply from **Beeline** (telecom company) is a neobank that achieved direct access to BIN and the ability to emulate a Visa card without a principal bank, operating on a Ukrainian processing system.

Trend 7: Digital SMEs and Non-banking support for SMEs

An increasing number of SMEs are adopting digital payments, which is driving financial institutions to improve their credit scoring models by using non-traditional data. By leveraging data on inventory and customer reviews, banks can make more informed decisions, reducing the risks of delayed loan payments. Additionally, online services for B2B transactions such as invoicing, accounting, payments, and HR and legal support are actively developing.

Number of enterprises, outlets with payment card servicing agreements and number of POS terminals, 2018 – 2022



(*) – Entrepreneurs who have concluded an agreement with an acquirer for servicing payment cardholders

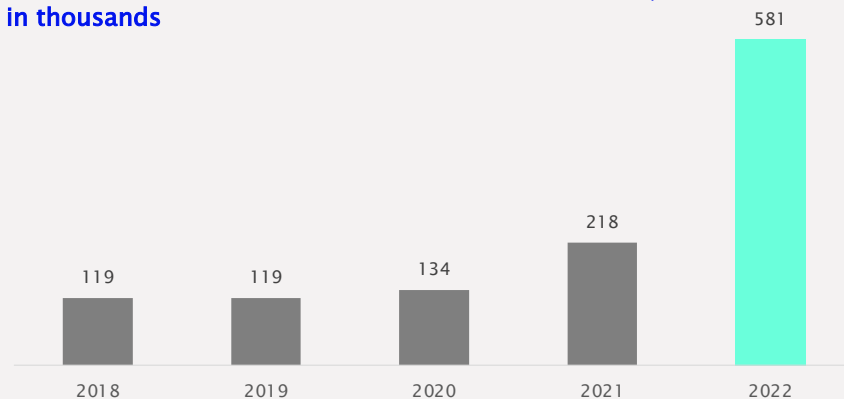
Source: The National Bank of Kazakhstan

Trend 8: Democratisation of capital markets

Legislative changes in October 2020 have led to an increase in retail investors in the country. Second-tier banks are now authorized to offer brokerage services to individuals. Additionally, investment mobile apps have played a pivotal role in democratizing access to the stock market, making it more accessible to retail investors. Biometric identification services are now available for remote business relationships, and the need for traditional signature and identity card requirements has been removed.

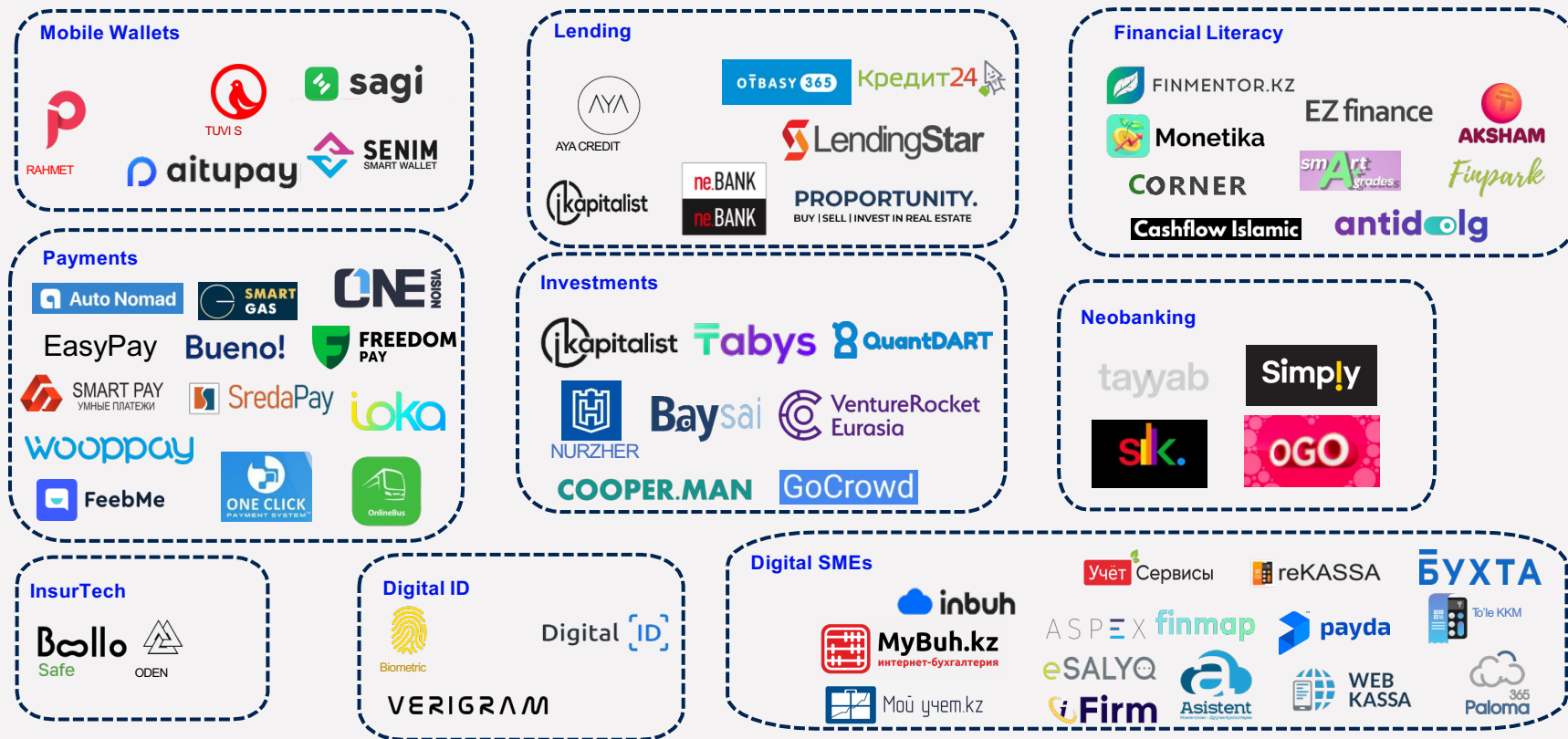


Number of retail investors' accounts for 2018 – 2022, in thousands



Source: The Agency for Regulation and Development of Financial Market

Trend 9: The number of startups is on the rise, but instead of disrupting the financial sector, they are now shifting towards B2B partnerships, driving change and growth

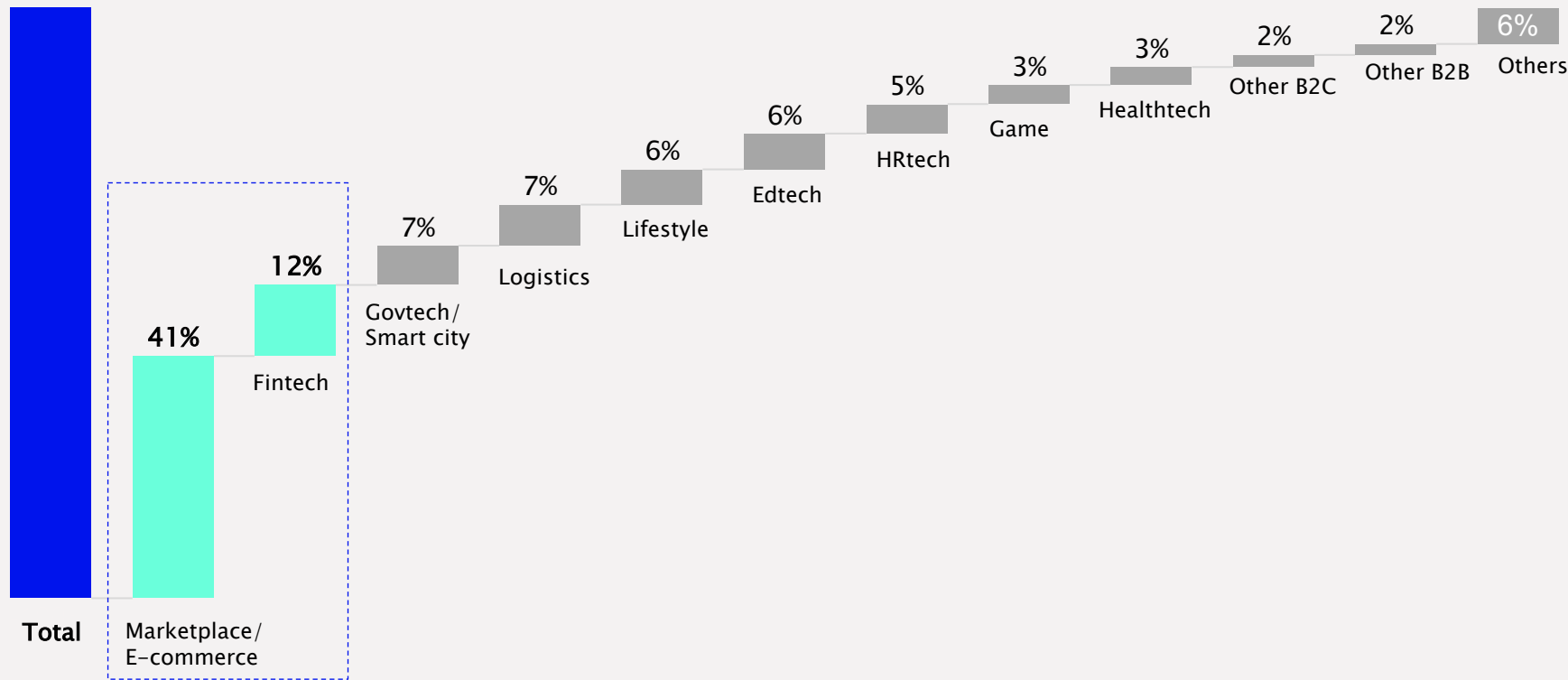


The list provided is not exhaustive.

Source: Tech Hub AIFC (2020) "The Fintech startups landscape in Kazakhstan", RISE analysis

The primary market sectors in terms of venture capital deals in Kazakhstan are Marketplaces/ E-commerce and Fintech

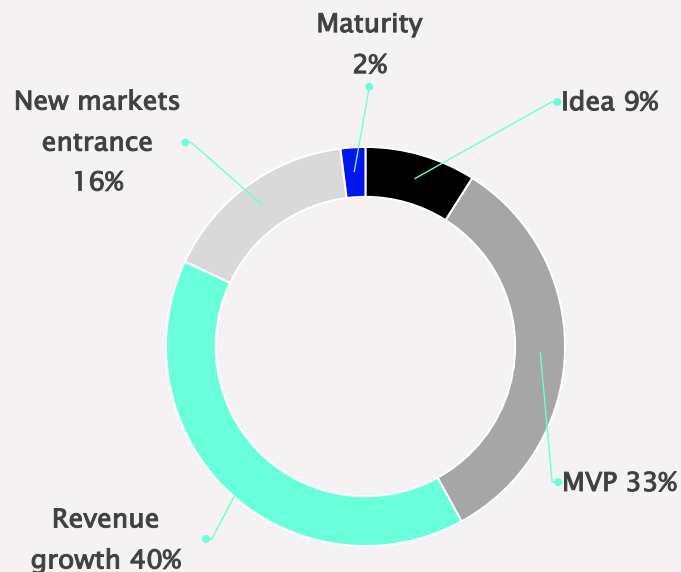
Breakdown of venture capital deals by sectors, 2018–2022



Source: MOST Holding (2023) "Overview of Venture Capital Market in Kazakhstan 2018 – 2022"

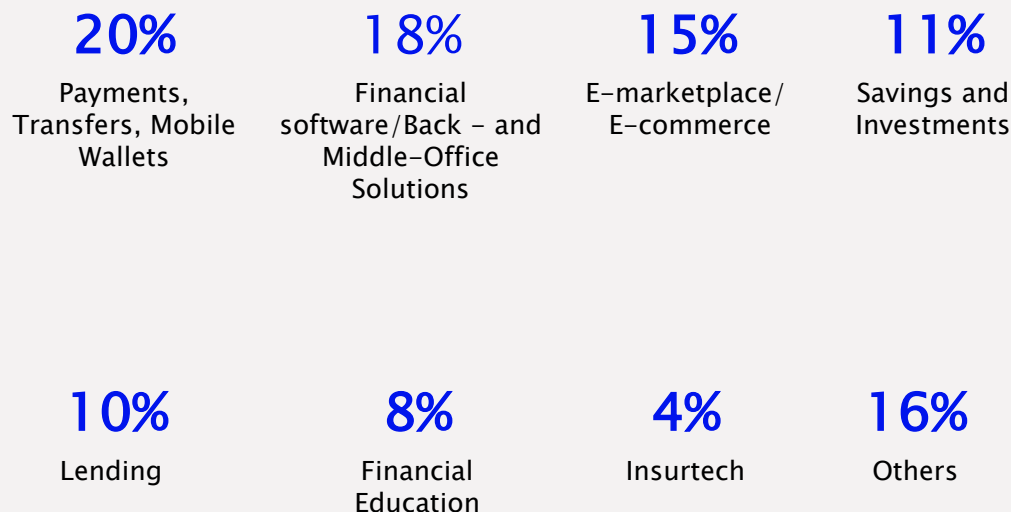
Fintech startups analysis

Stage of development



Source: Tech Hub AIFC (2020) "The Fintech startups landscape in Kazakhstan"

Categories



Rising Fintechstar – One Vision

Portfolio startup of **MOST VENTURES**

OneVision is a fintech company that offers a diverse range of online payment services, which includes card acceptance and payments, QR payments. With a strong focus on security and resiliency, OneVision employs a robust solution architecture, multi-acquiring services, smart payment routing, and adaptive anti-fraud systems.

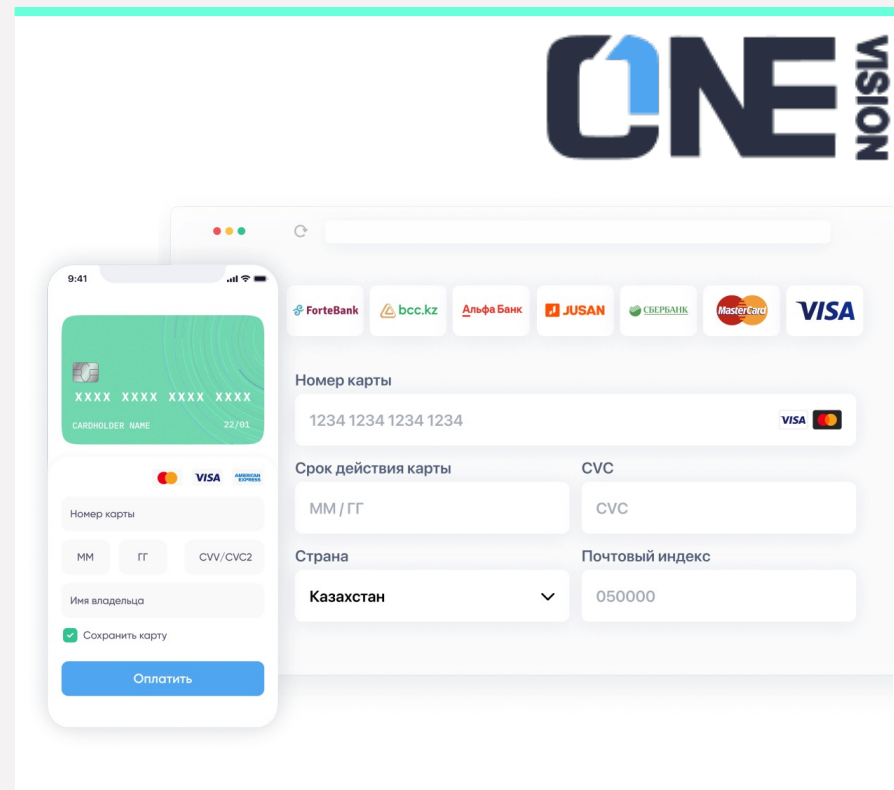
In addition to its current offerings, OneVision is also actively expanding its accompanying services, such as payment with e-money, payment splitting, online lending, and installment payments.

At present, OneVision operates in the markets of Kazakhstan and Azerbaijan, but the company is already making strides toward expansion. OneVision has opened branches and is in the process of obtaining licenses in Uzbekistan and Kyrgyzstan.

Founding year: 2021

Website: <https://onevision.kz>

Countries of operation: Kazakhstan, Azerbaijan, Uzbekistan and Kyrgyzstan



Rising Fintechstar – Prosper Pay

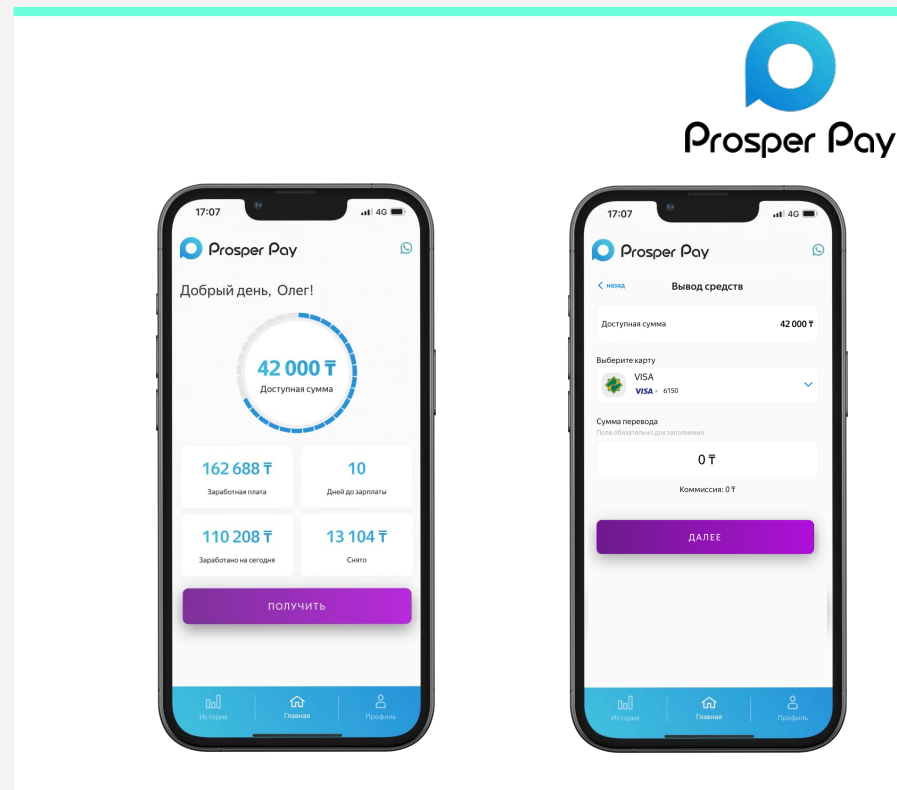
Prosper Pay is a fintech company that offers a user-friendly service for employees to track and manage their earnings. With the service, employees can easily monitor what they have earned to date and withdraw a portion of their earned wages at any time, 24/7/365, by paying a small commission fee. On payday, the employee receives all the money they earned, except for what they have already withdrawn through the service. Prosper Pay's platform provides a convenient and flexible solution for employees who may need access to their wages before payday, without having to rely on traditional payday loans or high-interest credit options.

Founding year: 2022

Website: <https://prosperpay.kz/>

Countries of operation: Kazakhstan

Technology: app



Prosper Pay

Fintech startup – S1lkpay

S1lkpay is a digital payment and processing provider focused on issuing, sharing, and paying with prepaid virtual cards. With prestigious Mastercard Principal Membership and licensing from the DFSA, AIFC, Central Bank of Kazakhstan and the Central Bank of Sudan, this startup has been established as a globally accepted partner for digital payments and processing.

The patented in-house processing platform is configured to manage multiple currencies, connect to various global payment networks, and facilitate the introduction of new financial services quickly. Currently, Ziirat Bankasi's subsidiary is operating on S1lkpay's processing platform. Since its launch in September 2022, S1lkpay has seen almost 60K downloads. The technical team behind S1lkpay can process documents from 15 countries, while trusted verification partners ensure the recognition of passports from all over the world. After a successful fundraising effort totaling \$7.2 million dollars in investments, this startup is on a path to expand its services to 7–10 jurisdictions across Saudi Arabia, Turkey, Vietnam, Thailand, The Philippines, and the American region.

Founding year: 2019

Website: <https://s1lkpay.com/>

Countries of operation: Kazakhstan, Sudan, UAE

Technology: app



Fintech startup – IKapitalist

IKapitalist is the largest licensed investment and lending platform in the country. Its primary focus is to help private investors invest in small businesses and receive an average annual return of 20%. The platform also provides access to financing of up to \$5 mln per transaction for companies without the need to go to a bank or go public. While the organized market targets medium and large businesses, the iKapitalist platform's key focus is small and medium-sized businesses. One of the unique features of the platform is that it doesn't require borrowers to have a financial consultant, audited financial statements, or a prospectus, making it much easier for micro, small and medium enterprises to access financing on the platform. The deal is concluded directly between the investor and the company in the jurisdiction of the platform, with the platform acting as the loan administrator.

Founding year: 2019

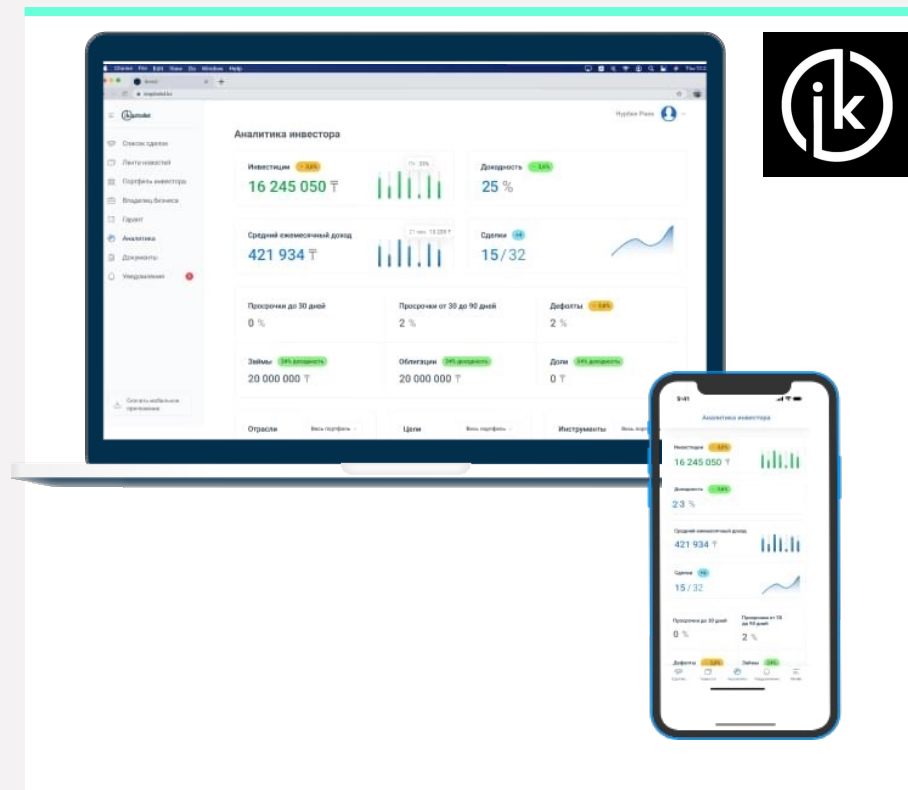
Number of deals: more than 100

More 1000 investors on the platform

Website: <https://ikapitalist.kz/>

Countries of operation: Kazakhstan

Technology: web, app



Fintech startup – Tayyab

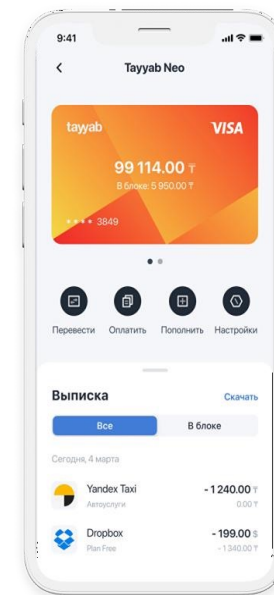
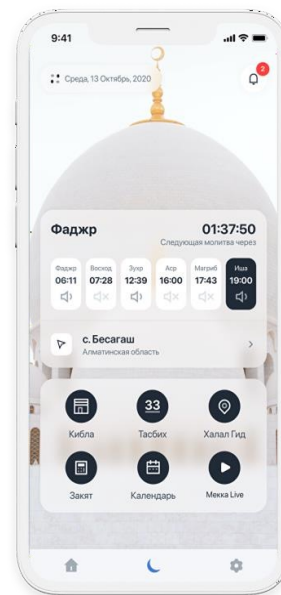
Tayyab is a digital Islamic bank for day-to-day finance for modern Muslims (Generation M), targeting 740 mln customers in 20 countries. Customers can get the first Shariah-compliant digital banking card in a minute and enjoy state-of-art financial technologies with no interest and hidden fees. Seamless to use and halal by default with all Shariah-compliant features including payments, money transfers and remittances, auto sadaqa/regular charity, personal finance management and even the prayer times and Qibla direction in one app.

Founding year: 2019

Website: tayyab.co

Countries of operation: Kazakhstan

Technology: app



tayyab

Regulation and Market Entry



Kazakhstan has a classic fintech stakeholder setup, however, it is unique in Central Asia since there are two different jurisdictions with two regulators

Kazakhstan – legislation based on civil law, governing relations in the Republic of Kazakhstan

AIFC – independent jurisdiction in the city of Astana (formed under the Constitutional Statute), **based on principles and precedents of the law of England and Wales and international standards**

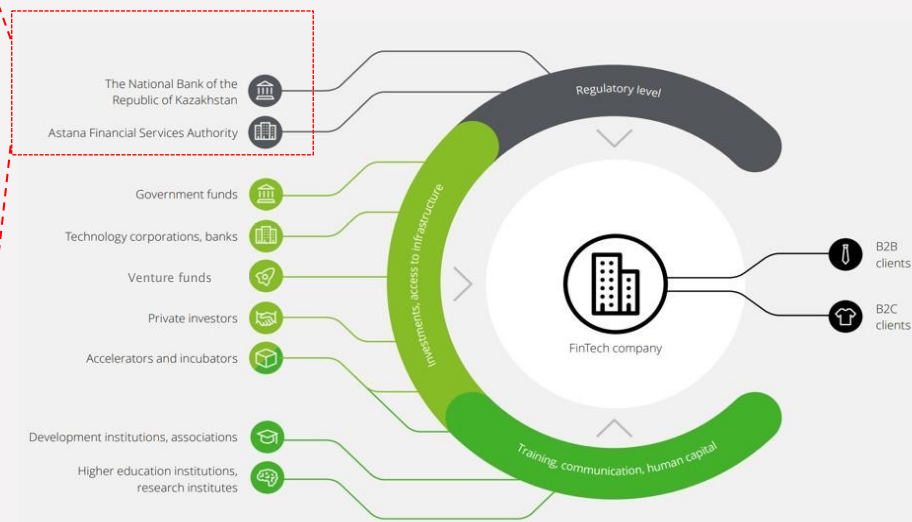
Regulators in Kazakhstan

- **National Bank of Kazakhstan**
 - Monetary policy, regulatory and control functions in relation to banks and other entities engaged in banking activities
- **Agency for Regulation and Development of Financial Market**
 - Supervision of the financial market, financial organisations and protection of financial services consumers

Regulator in AIFC

- **Astana Financial Service Authority**
 - Corporate and financial regulation in the AIFC
 - Authorization, supervision, and enforcement in regard to AIFC Participants

Fintech stakeholder in Kazakhstan – two different regulators



Astana International Financial Centre has a holistic approach to the development of fintech ecosystem

AIFC	AIFC Regulatory Sandbox	Regulation of Private e-Currencies in AIFC
<ul style="list-style-type: none"> ▶ AIFC has advantages such as tax optimisation, a special labor regime, a single-window system for issuing visas, work permits, etc ▶ There are dispute resolution authorities such as AIFC Court and International Arbitration Centre, guided by best practices in resolving civil and commercial disputes ▶ The Centre has a holistic approach to the development of fintech ecosystem 	<ul style="list-style-type: none"> ▶ The “Fintech Lab”, which allow firms to test out and develop innovative financial products and services under a special regulatory regime with tailor-made regulatory requirements applicable to each individual firm ▶ In addition, Fintech Lab participant firms may also obtain individual guidance from the regulator about how the rules apply to new business models and innovative financial services 	<ul style="list-style-type: none"> ▶ In July 2018, the AFSA developed the legal framework to regulate the activities related to operations with Digital Assets such as: <ul style="list-style-type: none"> – operating crypto-exchanges; – providing custody of digital assets; – and Initial Coin Offerings (ICOs)
AIFC Crowdfunding framework	AIFC extension of Regulated and Market framework	AIFC supports Fintechs
<ul style="list-style-type: none"> ▶ In June 2019, the AFSA with the support of the European Bank for Reconstruction and Development (EBRD) and the leading UK law firm, Clifford Chance LLP, has developed and introduced a regulatory framework for loan – and investment-based crowdfunding platforms in AIFC 	<ul style="list-style-type: none"> ▶ In 2019, the AFSA developed and enacted the Framework on the extension of Regulated and Market Activities under which the existing definition of Regulated Activity of Providing Money Services is extended and two new Regulated and three new Market Activities are introduced to the list of regulated financial services by AFSA 	<ul style="list-style-type: none"> ▶ AIFC Tech Hub has launched a Fintech Stars Acceleration Program, Visa Everywhere Initiative, and Startupbootcamp FastTrack event in Central Asia ▶ In 2021, the AIFC Tech Hub launched the First Fintech Accelerator for banks in Kazakhstan jointly with the Internet Initiatives Development Fund and Mastercard

Source: ICLG (2020). “Fintech 2020: A practical cross-border insight into Fintech law.”, AIFC

AIFC – Astana International Financial Centre

The presence of fintech-specific regulations makes Kazakhstan a desirable financial hub, and any existing gaps in the regulations will soon be addressed by both regulators

Comparison of Kazakhstan and AIFC regulations

Subject of regulation	KZ	AIFC
Banks	✓	✓
Micro-finance organizations	✓	✓
Payments services providers	✓	✓
Payments Systems	✓	✗
E-money Institutions	✓	✗
Investment & loan crowdfunding platf.	✗	✓
Crypto exchanges, custodians, ICO	✗	✓

Activities	KZ	AIFC
Digital Assets	✓	✓
Crowdfunding	✗	✓
VC funds	✓	✓
Open Banking	✗ but not prohibited	✗ but not prohibited
Regulatory Sandbox	✓	✓
Digital/Mobile Banking	✓	✓
Remote Customer ID	✓	✓

Source: AIFC, Tech Hub AIFC (2020) "The Fintech startups landscape in Kazakhstan"

Market Entry: foreign fintech operations in Kazakhstan and AIFC

Comparison of Kazakhstan and AIFC market entry requirements

Foreign investors requirements	Kazakhstan regulation	AIFC regulation
Foreign fintech registration options	Incorporate a new entity in the form of: <ul style="list-style-type: none"> Limited Liability Partnership Joint Stock Company 	<ul style="list-style-type: none"> Incorporate a new entity in the AIFC Foreign Company/ LLP may be registered in the AIFC in different LLPs forms Redomicile legal entity incorporated in another jurisdiction
Registration process	Registration is done in the local language. Document signing is done in presence of a notary public and authorized approval is needed	<ul style="list-style-type: none"> Registration in AIFC is done in English All procedures are done online with scanned copies and the presence of a witness for signing the transfer of shares document
Incentives for fintech firms investments	No	Tax incentives: <ul style="list-style-type: none"> On capital gains On dividends
Incentives for IT firms investments	<ul style="list-style-type: none"> Tax exemptions: <ul style="list-style-type: none"> income tax, VAT, social tax, etc Co-working space Free accelerator program 	Tax incentives: <ul style="list-style-type: none"> On capital gains On dividends

Source: Tech Hub AIFC (2021), "Venture Capital Practical Guidebook", RISE analysis

Market Entry: foreign fintech operations in Kazakhstan and AIFC

Comparison of Kazakhstan and AIFC market entry requirements

Foreign fintech options to register in Kazakhstan	Foreign fintech options to become an AIFC participant		
Incorporate a new entity in the AIFC in the form of:	Incorporate a new entity in the AIFC in the form of:	Foreign company/ LLP may be registered in the AIFC in form of:	Redomicile legal entity incorporated in another jurisdiction
<ul style="list-style-type: none"> Limited Liability Partnership Joint Stock Company 	<ul style="list-style-type: none"> Private Company Public Company Open-Ended Investment Company Closed-Ended Investment Company Protected Cell Company Restricted Scope Company Special Purpose Company General Partnership Limited Partnership Limited Liability Partnership Non-profit Incorporated Organisation Foundations 	<ul style="list-style-type: none"> Recognised Company Recognised General Partnership Recognised Limited Partnership Recognised Limited Liability Partnership 	<ul style="list-style-type: none"> By undergoing re-domiciliation, a foreign company transforms into an entity registered with AIFC. This involves shifting all rights and responsibilities to the AIFC company, resulting in a unified entity. The AIFC-registered company that has undergone re-domiciliation is then subject to regulatory supervision, mainly under AIFC regulations.

Source: Tech Hub AIFC (2021), "Venture Capital Practical Guidebook"

Contacts and team



Fintech Consult services



Fintech Consult has a focus on the European, Asian, MENA, and African markets.

For Fintech:

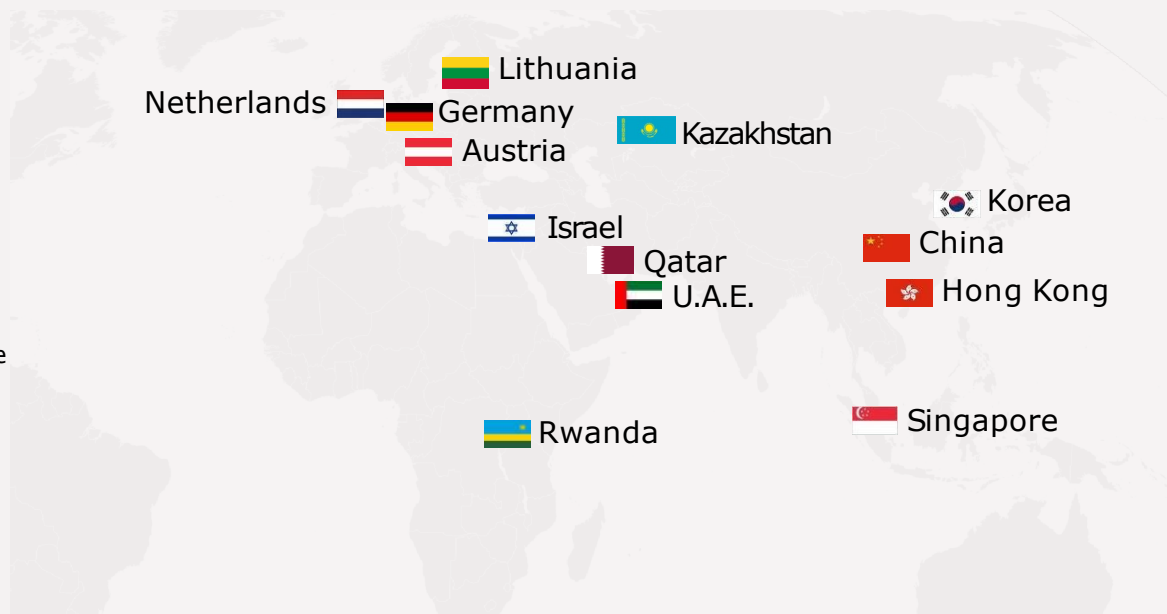
- ▶ Market entry advice
- ▶ Global expansion support
- ▶ Mentoring and coaching
- ▶ Stakeholder organization

For Financial Centers:

- ▶ Financial center development
- ▶ Fintech ecosystem development mapping and advice
- ▶ International marketing and networking
- ▶ Organization of innovation tours

<https://fintech-consult.com//> →

Our global network

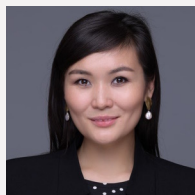


Fintech Consult team around the world



Dr. Jochen Biedermann

Managing Partner
Germany & Hong Kong



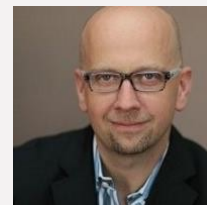
Ainur Zhanurina

Partner
Kazakhstan



Marquesa V. Leung

Partner
Hong Kong & China



Thomas Schalow

Partner
Germany



Georg Schattney

Partner
Germany



Peter Kim

Partner
Korea



Julius Kim

Partner
Korea



Arturas Svirskis

Partner
Lithuania



Niels van Rossem

Partner
Netherlands



Prof. Peter Sachsenmeier

Innovation Expert
China



Kaloyan Ratchev

Partner
Austria & Bulgaria



Gil Kraiem

Partner
Israel



Yan Kwizera

Partner
Rwanda



Malik Shishtawi

Partner
Qatar



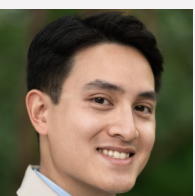
Ronnie Samuel

Partner
West Africa



Abdulrahim Osman

Partner
U.A.E.



Viet Duc Le

Consultant
Australia

Contacts



Ainur Zhanturina

Fintech Consult, Partner, Kazakhstan
RISE Research, CEO

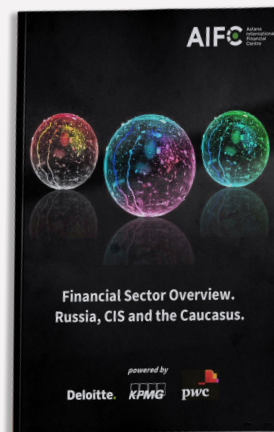
M: +7 702 217 7351

E: ainur@fintech-consult.com

Other reports



Source: <https://mostfund.vc/research-english>



Source: <https://tech.aifc.kz/en/reports>



