

Kazakhstan

Business Guide

Compiled by:

Trade Point Kazakhstan

Astana, October 2016

ARRIVAL AND DEPARTURE

On July 2015, the Government of Kazakhstan has expanded trial visa-free regime to 19 countries and prolonged it until December 31, 2017. This step is aimed at further improvement of a favorable investment regime for citizens of these countries as well as to increase the inflow of foreign tourists to Kazakhstan, including people wishing to attend major international events scheduled in 2017 such as the EXPO 2017 International Specialized Exhibition in Astana and the 2017 Winter Universiade in Almaty. The visa free regime is applied to citizens of Australia, Belgium, Finland, France, Germany, Hungary, Italy, Japan, Malaysia, Monaco, Netherlands, Norway, Singapore, Spain, Sweden, **Switzerland**, the United Arab Emirates, the United States, the United Kingdom of Great Britain and Northern Ireland (countries that have either invested the most in Kazakhstan or have the potential investment planned that is the most considerable).

Until the end of this period, citizens of these 19 countries holding valid diplomatic, official and national passports can enter, exit and transit through the territory of Kazakhstan on multiple occasions without a visa for up to 15 calendar days at a time from the moment of crossing the state border.

In addition, Kazakhstan had signed the visa-free regime with a number of countries of South America as Argentina, Brazil, Chili, Ecuador and Macao and the MFA of Kazakhstan is planning to increase in the future the visa-free regime countries number up to 26.

Swiss businessmen visiting Kazakhstan for more than 15 days need apply for a visa. Passports should be valid for at least three months after the visa expiration date. The most popular visas are investor, business and work visas. These visas are issued for one, two or multiple entries depending on their categories and are valid for up to three years.

Visas are issued by Kazakhstan consular establishments (e.g., the Consular Department of the Embassy of Kazakhstan in Bern (Melchenbühlweg 79, 3006 Bern, phone: 031 351 79 69, fax: 031 351 79 75 and e-mail: embassy@kazakhstan-bern.ch). Generally, a single entry visa issue is simplified for Switzerland citizens (see http://www.kazakhstan-bern.ch/en/?page_id=234), but a double or multiple entry visa issue is based on a letter of invitation by a local Kazakh company, or a branch or representative office of a foreign company, submitted to the Department of Consular Service of the Kazakhstan MFA. The fee for issuing a visa ranges from 40CHF to 430CHF. The term for issuance of a visa should not exceed five working days.

While entering Kazakhstan each foreign national aged 16 or over will be given a Migration Card. Migration Card form shall be issued: 1) at the Kazakhstan national border crossing points by the frontier guards of the Kazakhstan National Security Committee and by customs officers (Crossing Point Officers) where there are no border control points; 2) while travelling by air and sea by air/sea vessel crews; while travelling by rail by members of train crews; while travelling by public or personal vehicles or on foot by national border Crossing Point Officers.

If the Migration Card is lost or unintentionally damaged, the foreign national must inform the interior authorities within 3 working days. The interior authorities shall grant duplicated Migration Card marking registration after the applicant is checked. Migration Cards must be returned when exiting from Kazakhstan.

LANGUAGES USED FOR BUSINESS

Businessmen of Astana and Almaty cities are very familiar with English. However English is not yet a common business language in the regional cities and it is recommended to recruit a Russian speaking interpreter and a Kazakh speaking interpreter in South and West Kazakhstan regions.

PUBLIC HOLIDAYS

There are eight official holidays in Kazakhstan. The minimum paid annual leave is 24 calendar days (excluding official holidays). Additional vacation days should be provided for employees working in dangerous or hazardous conditions, and employees who are physically handicapped. The following table presents the official public holidays and days off in Kazakhstan.

New Year's Holidays	1–2 January
Orthodox Christmas	7 January
International Women's Day	8 March
Nauryz Meyrami (Kazakh New Year)	21–23 March
Kazakhstan People's Unity Day	1 May
Defender of the Fatherland Day	7 May
Victory Day	9 May
Capital Day	6 July
Constitution Day	30 August
The first day of Kurban-ait celebrated by the Islamic Calendar	(2 September in 2017)
The First President of Kazakhstan Day	1 December
Independence Day	16–17 December

HEALTH AND INOCULATIONS

The following vaccines are recommended for all travelers to Kazakhstan: Diphtheria, Tetanus, Polio, Measles, Hepatitis A. In special circumstances, the following vaccinations are recommended: Hepatitis B, Typhoid, Rabies, FSME (and SRES). Generally, there is no malaria in the country (there was a case in 2001 in Almaty region). In all cases, it is recommended to protect against mosquito bites. An HIV test and a signed statement from a doctor certifying that the foreigner does not have AIDS are required when the individual plans to be in Kazakhstan for more than three months.

TIME ZONES

Kazakhstan's time zones progress from five hours ahead of Greenwich Mean Time (GMT) in the western part of the country to six hours ahead of GMT in the rest of the regions. Astana and Almaty are six hours ahead of GMT and two hours ahead of Moscow. The country does not pass to summertime.

TIME DIFFERENCE BETWEEN SWITZERLAND AND KAZAKHSTAN

Time difference between Switzerland and Kazakhstan is: +4:0 hours between Astana and Almaty and Switzerland in summer time and +5:0 hours in winter time. Kazakhstan is 4:0 hours ahead of Switzerland. That means when it is 9:00 a.m. in Bern, Switzerland, it is 1:00 p.m. in Astana, Kazakhstan, in summer time, and it is 2:00 p.m. in winter time.

ELECTRICITY SUPPLY

Electrical sockets (outlets) in Kazakhstan are one of the two European standard electrical socket types: The "Type C" Europlug and the "Type E" and "Type F" Schuko. Electrical sockets usually supply electricity at between 220 volts AC.

METHODS OF PAYMENT

Kazakhstan's currency, the Tenge (KZT), was introduced in 1993. As of September 2016 the prevailing exchange rate was approximately 336.99 KZT / 1 USD, 377.83 KZT / 1 EUR and 347.9 KZT / 1 CHF. All major credit cards are accepted everywhere except the rural zone. Cash can be retrieved in ATM machines in the shopping malls and hotels.

Foreign Exchange: In general, Kazakhstan's foreign currency regulations are not overly restrictive. The *Currency Law* is the main piece of legislation governing foreign exchange transactions, and currency regulation is generally implemented by the NBK.

Residents: More stringent currency regulations apply to "residents" than to "nonresidents." One of the principal restrictions is that all payments between residents must be in Tenge (with certain limited exceptions). Among other things, residents must deposit any receipts from foreign currency transactions in their accounts maintained at authorized banks and financial institutions in Kazakhstan.

With certain limited exceptions, residents are required to notify the NBK of the following transactions:

- opening bank accounts outside Kazakhstan (this requirement does not apply to individuals);
- acquisitions by residents of securities issued by foreign issuers if the purchase price exceeds 100'000 USD (this requirement does not apply to *direct investments*, i.e., acquisitions of 10% or more of shares or participatory interests in foreign companies, which require *registration* with the NBK); and

- acquisitions by nonresidents of securities issued by local issuers if the purchase price exceeds 500'000 USD (except for *direct investments*, which require *registration* with the NBK).

Also, residents must register the following transactions with nonresidents with the NBK (with certain limited exceptions) provided that the payment by a nonresident exceeds 500'000 USD or the payment by a resident exceeds 100'000 USD:

- a commercial credit in connection with export and import of goods for a period of more than 180 days;
- a loan for a term exceeding 180 days;
- making a security deposit (for the purposes of currency control rules, security deposits are considered to be loans);
- payment for exclusive intellectual property rights and transfers of money and other property to perform obligations under a joint venture agreement; and
- direct investments, i.e., an acquisition of 10% or more of the shares or participatory interest of legal entities.

Nonresident Legal Entities: For foreign currency purposes, nonresidents include foreign legal entities, their branches and representative offices, as well as all other entities that do not fall under the definition of “residents.” Foreign exchange regulations are substantially less restrictive for these entities, and nonresidents may make payments to their employees in foreign currency.

Individuals: The position of resident individuals is slightly more relaxed than that of resident legal entities. However, individuals cannot make payments for business-related transactions without establishing an account with an authorized local bank. Resident and nonresident individuals may purchase foreign currency on the domestic foreign currency market without limitation. Residents and nonresidents importing or exporting foreign or local currency (cash) in excess of 10'000 USD (or the equivalent thereof) must submit a customs declaration for the entire amount of money being imported/exported. This requirement does not apply to import/export of cash within the territory of the Customs Union, i.e., within the territories of Kazakhstan, Russia and Belarus. In other words, residents and nonresidents may import cash from Russia and Belarus into Kazakhstan, as well export it from Kazakhstan to Russia and Belarus, without any limitation and without submitting a customs declaration. Residents and nonresidents may import goods, the customs value of which exceed 1'500 EUR and/or the total weight of which exceeds 50 kg.

TRANSPORTATION

BY AIR

A number of international airlines have regular connection to Almaty and Astana. Air Astana is the main domestic airline. It serves a significant portion of Kazakhstan’s international and domestic passenger flights. Air Astana operates a fleet of approximately 30 aircraft including Boeings 787, and 767, the Airbus A320 and Embraer 190.

BY SEA

Kazakhstan’s major ports are the cities of Aktau and Atyrau on the Caspian Sea and the Irtysh River ports of Oskemen, Pavlodar and Semey, which serve the northeastern industrial sector.

BY ROAD

Kazakhstan has approximately 148'000 kilometers of public roads. The major artery is the 1'241-kilometer road between Astana and Almaty. With assistance from the European Bank for Reconstruction and Development, an important highway is being completed along the Caspian coast between Turkmenbashi in Turkmenistan and Astrakhan in Russia, serving Kazakhstan's western oil outposts. There are 46 road crossings on the border with Russia, seven each on the borders with Kyrgyzstan and Uzbekistan and six on the border with China.

BY RAIL

Kazakhstan has approximately 14'800 kilometers of rail line. A high priority is construction of a shorter rail route across Kazakhstan to link western China with Russia. Construction of the railroad "Zhetygen-Korgos" is a key transport industry projects to connect Kazakhstan and China. The length of the railway is approximately 300 km.

HOTELS

Hotels in Astana

HOTEL		Address	Phone and fax
Rixos Astana	*****	D. Kunayev Street 7, Astana 010000 (left bank)	Tel: +7 7172 24 50 50 Arman.Sapayev@rixos.com
Pekin Palace	*****	27 Syganak Street, Astana 010000 (left bank)	Tel: +7 7172 70 15 15 Fax: +7 (7172) 70 15 00 soluxe.reservation@soluxe-astana.kz
Radisson SAS	*****	Sary Arka 4, Astana 010000	Tel: +7 7172 99 00 00 Gulzat.Altynova@radisson.kz
Ramada Plaza	*****	Abay ave., 144 010000 Astana	Tel: +7 7172 39 10 00 Fax: +7 7172 39 10 10 astana@interconti.com
Astana Marriott Hotel	*****	2 Dostyq Street, Astana 010016	Tel : +7 7172 62 07 70 www.marriott.com
Hilton Garden Inn Astana	****	Kabanbai Batyr Avenue, 15, Astana, 010010 (left bank)	Tel: +7-7172-756700 Fax: +7-7172-756710 Tseak_fo@helton.com
King Hotel	****	7 Valihanov street, Astana 010000	Tel : +7 7172 705-705 sales@kinghotelastana.com
Diplomat Hotel	****	29/1, D.Kunayev Str., 010000 Astana (left bank)	Tel : +7 (7172) 55 00 01 Fax : +7 (7172) 55 00 02 sales1@diplomathotel.kz reservation@diplomathotel.kz
Grand Park Esil Hotel	****	Beibitshilik Street 8, Astana 010000	Tel : +7 7172 59 19 01 Fax:+7 7172 32 88 18 reservations@grandparkesil.kz
Hotel ibis Astana	****	Tauelsizdik Ave 38, 010000 Astana	Tel : +7 717 270 8200 h8474@accor.com

Comfort-Hotel-Akmola	****	Kosmonavtov str., 60 «Chubary» microdistrict 010000 Astana	Tel: +7 3172 22 10 21, 22 10 30 Fax: +7 3172 22 10 30 info@comforthotel.kz
Park In Hotel	****	Sary Arka Avenue 8/A Saryarka bul. 010000 Astana	Tel: +7 (7172) 670 000 Fax: +7 (7172) 67 06 70 info.astana@rezidorparkinn.com
Hotel Duman	***	Korgaljyn Shosse 2A, 010000 Astana	Tel : +7 717 279 1551 Fax : +7 7172 79 15 15 duman_hotel@kmg-service.kz
Tengri Hotel	***	1a, Vavilov str. 010000 Astana	Tel: +7 7172 41 38 41 Fax: +7 7172 41 38 29 sales-tengri@mail.ru
Efendy	***	Mcr. Chubary 47, Zelenaya alleya str. 010000 Astana	Tel : +7 7172 24 06 73 efendi_hotel@mail.ru

Hotels in Almaty

HOTEL		Address	Phone and fax
The Ritz-Carlton, Almaty	*****	Esentai Tower, 77/7 Al-Farabi Ave, Almaty 050040	Tel: +7 727 332 88 88 Fax: +7 727 332 88 77 wecare@ritzcarlton.com
Hyatt Regency Almaty Rahat Palace Hotel	*****	Satpayev Str., 29/6 050000 Almaty	Tel: +7 727 250 12 34 Fax: +7 727 250 58 58 mailbox@hyatt.almaty.kz
Inter Continental Almaty	*****	181 Zheltoksan str. 050000 Almaty	Tel: + 7 727 250 50 00 malika.sadykova@interconti-almaty.kz
Rixos Hotel	*****	506/99 Seiffulin str. 050000 Almaty	Tel +7 727 300 33 00 Assel.Dalgat@rixos.com
Donatello Boutique Hotel	*****	Dostyk ave. 535, Almaty	Tel: +7 727 239 80 18 sales@donatello.kz http://donatello.kz/
The Regent Almaty	****	Zheltoksan 181 050000 Almaty	Tel .: +7 727 250 50 00 Fax : +7 727 258 21 00 business1@regent-almaty.kz
The Royal Tulip Hotel Almaty	****	401/2 Ospanov str. 050000 Almaty	Tel: +7 727 3000 100 Indira.kuatova@royaltulipalmaty.com
Dostyk Hotel	****	Kurmangasy Str., 36 050000 Almaty	Tel: +7 727 258 22 70 Fax: +7 727 272 45 89 dostyk@nursat.kz www.dostyk.kz
International Hotel	****	Baytursynov Str., 113 050000 Almaty	Tel: +7 727 250 70 50 Fax : +7 727 250 10 60 info@astana-hotel.com

Hotel Saltanat	****	164 Furmanov Street 050021 Almaty	Tel: +7 727 2590935 reservations@worldhotelsaltanat.com
Grand Tien-Shan Hotel	****	115 Bogembay Batyr str. 050000 Almaty	Tel: +7 727 244 96 11 yelena.kolomytseva@ts-hotels.kz
Tien-Shan City	****	151 Kunaev str. 050000 Almaty	Tel: +7 727 393 05 99 (77) sales@ts-city.kz
Hotel «KAZAKHSTAN»	****	Dostyk Prospekt, 52 050000 Almaty	Tel: +7 727 291 91 01 Fax: +7 727 291 96 00 hotel_kazakhstan@net.kz
Holiday Inn Hotel	****	2D, Temiryazev str. 050000 Almaty	Tel: +7 727 244 02 55 alakz.sales@ihg.com
Kazzhol Hotel	****	127/1 Gogol str. 050000 Almaty	Tel: +7 727 250 89 41 hotel-kazzhol@ama.kz sales@hotelkazzhol.kz
«AMBASSADOR» HOTEL	****	Zheltoksan, 121 050000 Almaty	Tel .: +7 727 250 89 47 Fax : +7 727 272 64 41 ambassadorhotel@msn.com

COMMUNICATION

Mobile operators offer a range of services including mobile internet, mobile connection, Wi-Fi, and TV. Key providers include Kazakhtelecom (the state-owned national telecommunications company), Kcell, Beeline, Tele2 and a new operator Altel. Mobile penetration is high. Free of charge Wi-Fi connection is available practically everywhere (airports, hotels, shopping malls, restaurants).

To make a direct call to Kazakhstan from Switzerland, it is to follow the next international dialing format: 007 - Area Code - Land phone number and 007 - 10 - Mobile number. To call to Switzerland from Kazakhstan, to dial: 8 (wait) 10 - 41 - Area Code - Land phone number and 8 (wait) 10 – 41 – 12 – Mobile number.

CELL PHONES

Cellphone GSM Frequencies of Kazakhstan is 900 that means it is necessary a GSM cellphone that will work on 900MHz to use it in Kazakhstan. Cellular carriers for Kazakhstan and cell operators:

Mobile Code	Mobile Provider	Frequency	Web-site
701, 702, 775	Kcell GSM	GSM 900/1'800	www.kcell.kz/en
705, 777	Beeline GSM	GSM 900/1'800	www.beeline.kz
700	Altel	GSM 850/1'800	www.altel.kz
707, 747	Tele2 GSM	GSM 900/1'800	www.tele2.kz

BUSINESS HOURS

The maximum hours employees may work per week is 40 during five days. There are limitations on the amount of overtime (12 hours a month) and there are allowances for rotational workers. In addition to 9 national holidays, employees are assured at least 18 calendar days of annual leave each year. There are

also provisions for overtime, sick leave, maternity leave and leaves for employees caring for young children.

Offices (government and private) in Kazakhstan officially work from 9 a.m. to 6 p.m., from Monday to Friday, and closed Saturdays and Sundays. However, in reality, they work till 7 or 8 p.m. and as a rule on Saturday as well. Concerning Kazakh banks, they are open from 9 a.m. to 6 p.m. from Monday to Friday and from 10 a.m. to 2 p.m. on Saturdays. Shopping malls' working hours are from 10 a.m. till 9 p.m. 7 days per week.

ADDRESSE AND OPENING HOURS OF THE EMBASSY OF KAZAKHSTAN IN SWITZERLAND

Contact:

Melchenbühlweg 79

3006 Bern

Switzerland

Phone: 031 351 79 69

Fax: 031 351 79 75

E-Mail: embassy@kazakhstan-bern.ch

Web-site: <http://www.kazakhstan-bern.ch/en/>

Opening hours:

Responsible for all cantons:

Monday - Friday: 10:00 a.m. - 12:00 p.m.

Day-off:

Wednesday,

Weekends,

Swiss and Kazakh public holydays

ADDRESSES OF THE SWISS EMBASSY AND CONSULATES

Embassy of Switzerland

62 Kosmonavtov Street, 8F

Microdistrict Chubary

010000 Astana, Kazakhstan

Phone: +7 717 297 98 92, +7 717 297 98 93

Fax: +7 717 297 98 94, +7 717 297 98 96

e-mail: ast.vertretung@eda.admin.ch

Honorary Consulate of Switzerland

EATC LLP Swiss-Centre

Tabachno-Zavodskaya Street 20

050050 Almaty, Kazakhstan

Phone: +7 727 298 08 41/81, +7 727 250 39 53

Fax: +7 727 250 39 57

e-mail: almaty@honrep.ch

TIPS FOR INITIATING BUSINESS CONTACTS

The meetings, conferences and forums organized by American Chamber of Commerce (AmCham), European Business Association of Kazakhstan (EUROBAK), Association des Cercles Français d'Affaires au Kazakhstan (ACFAK) and German Economy Club are the most popular events to get in touch with business environment and to launch business contacts in Astana and Almaty. In addition, visiting exhibitions, conferences and forums organized with State support (e.g. Astana Economic Forum hold on May every year) and by the External Trade Chamber of the National Chamber of Entrepreneurs "Atameken" will give a good opportunity to meet local business partners. Swiss Trade Point Kazakhstan opened on January 1, 2016, at the Embassy of the Switzerland in Astana, will assist you to contact your partners and develop your business in Kazakhstan.

BUSINESS PRACTICES

Setting up business relations with local partners is a long term process. However, it is advisable to have direct contacts with potential business partners, which means that a Swiss company has to invest its time and efforts in the relations and visit potential business partners/distributors (not only to develop the

cooperation, but also afterwards to check whether the local partner lives up to agreements). Additionally, an appropriate and thorough due diligence on a potential business partner can minimize the risk of failure as well as can help to manage your future expectations.

It is forbidden to pay and receive. It is advisable to double check on company's documents; for example, all certificates, permits, etc. should be obtained in advance for the customs purposes, etc.

Sometimes registration and certification procedures can take some time (up to 1.5-2 months) and efforts. Therefore, Swiss companies must be prepared to do it themselves or better to delegate it to a professional company, which has an extensive experience in dealing with local authorities and in registering/obtaining certificates for similar products.

Some Kazakh SME do not yet have Internet access and do not use emails as a means of communication. They prefer to receive official letters (written on the company letterhead) either by fax or by normal post.

SOURCES

www.pwc.kz

www.ey.com

www.bakermckenzie.com

www.safetravel.ch

www.keden.kz

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