



The President signed the amendments to laws on development of insurance, securities' market and banking activities

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If you are interested in additional information, please contact us.

In brief

On 12 July 2022 the President signed the Law "On introduction of amendments to certain legislative acts of Kazakhstan on regulation and development of insurance, securities market and banking activities" (the "**Law**").

In details

The Law provides, among others, for the following changes:

- Simplification of the procedure for reorganization of microfinance organizations in the form of their conversion into a bank;
- Provision of possibility for opening correspondent accounts for banks, being participants of Astana International Financial Centre ("**AIFC**");
- Provision of possibility for banks to own stake in (1) organizations, rendering the services with use of artificial intelligence, blockchain and other innovative technologies; (2) organizations, rendering the services, which allow financial services transactions between financial organizations or issuers and consumers of financial services with use of information system via internet; (3) organizations, carrying out development, realization and maintenance of software, used in the course of financial organizations' activities. The changes are introduced to develop ecosystem and financial technologies of banks and banking holdings through rendering non-banking services;
- The requirements for executives of banks and banking holdings are tightened;
- Provision of possibility not to comply with the requirement on pre-emptive right to purchase the shares of joint stock companies ("**JSC**") in case of (1) provision of remuneration to the members of the board of directors or incentives to employees in the form of shares or other securities convertible into ordinary shares of JSC; (2) initial public offering of JSC's shares or depository receipts, the underlying assets of which are the shares;
- Within the framework of sustainable development financing development, the Law on Securities' Market is supplemented with such types of securities as "social bonds", "green bonds", "sustainable development bonds", "bonds related to sustainable development";
- Restrictions for quasi-state organizations to establish and participate in the equity of legal entities incorporated in AIFC are excluded.

Are you interested in this topic?

We would be pleased to discuss with you the above information and how it can impact your business.

If you are interested in additional information, please contact PwC specialists working as part of a group serving your company, or to any of the persons listed.

