

RENEWABLES ARE INCLUDED IN THE LIST OF PRIORITY INVESTMENT PROJECTS

The activity on "Electric power generation, except for generation of electricity by thermal and nuclear (atomic) power plants" (OKED (the General Classification of Types of Economic Activity) 35.11) was added to the list of priority activities, identified for implementation of investment priority projects, by the Resolution of the Government of the Republic of Kazakhstan dated February 24, 2020. It should be noted that previously renewable energy sources were only included in the list of priority activities for investment projects.

From now on, the following power generation projects could be eligible as investment priority projects:

- hydroelectric power plants;
- wind power plants;
- solar power plants;
- other power plants (except for thermal and nuclear (atomic) power plants).

Please be informed that in order to obtain the status of an investment priority project, you should meet one of the following criteria:

- establishment of new production facilities, providing for investment in the construction of additional production facilities (a factory, plant, section), amounting to at least 2 million MCI (monthly calculated index);
- expansion and/or renovation of the operating facilities, providing for investments of at least 5 million MCI.

Investment preferences are provided on the basis of an investment contract concluded between the relevant investment authority and a legal entity of the Republic of Kazakhstan implementing an investment project.

The entities that implement an investment priority project are allowed to claim the following investment preferences:

- tax preferences, in the form of:
 - reduction of the amount of calculated corporate income tax by 100%;
 - applying the coefficient 0 to land tax rates;
 - calculation of property tax rate of 0 % to the tax base;
- an investment subsidy (not provided for expansion and/or renovation projects), which is a budget subsidy provided as an investment preference on a non-repayable and non-repayable basis to a legal entity of the Republic of Kazakhstan that has concluded an investment contract providing for investments of at least 5 million MCI.