

## HOW TO OBTAIN LAND FOR RENEWABLE ENERGY PROJECTS IN KAZAKHSTAN

Land use rights are regulated primarily by the Land Code, the Civil Code, and the Law on Real Property Registration of the Republic of Kazakhstan.

Procedure for obtaining the land use right may vary depending on the category and purpose of the land.





## Land Categories

- Agricultural lands
- Residential lands (cities, towns, rural settlements)
- Lands for industry, transport, communications, for the needs for space activities, defense, national security, and other non-agricultural purposes
- Lands for nature reserves, sanitary lands, lands of recreational and historical-cultural designation
- Forestry fund lands
- Water fund lands
- Reserve lands<sup>1</sup>

### State-owned land

- right to a short-term (up to 5 years) land use
- right to a long-term (from 5 to 49 years) land use

### Privately owned land can be obtained by means of

- a lease agreement with the owner
- a sale-purchase agreement with the owner

<sup>1</sup> Article 1 of the Land Code of the Republic of Kazakhstan dated June 20, 2003 (the Land Code)

# How can a developer obtain land use rights in Kazakhstan?

## Step1 : Choose the appropriate option to obtain the land use right

Most convenient options for obtaining the land use rights for RE projects:

### OPTION 1:

Permission to use of the land plot for engineering survey activities

- The developer applies for the provision of a land plot to the local municipality, after completing the engineering survey activities<sup>2</sup>

### OPTION 2:

Inclusion in the RE Facilities Siting Plan (based on the auction results)

- The winner of the RES auction is to be added in the RE Facilities Siting Plan<sup>3</sup>
- The local municipality reserves land plots for the construction of RE facilities until the auction winners register the land use right<sup>4</sup>
- Afterwards, the auction winner automatically applies for the provision of a land plot to the local municipality<sup>5</sup>

\*There is a mandatory requirement for RE facilities to be added in the RE Facilities Siting Plan developed and approved by the Ministry of Energy<sup>3</sup>

### OPTION 3:

In-kind grant for temporary gratuitous use of land plot

- The RE facility construction project is implemented as part of the investment priority project<sup>6</sup>
- The investor signs an investment contract with the authorised investment authority<sup>7</sup>
- After executing of the investment contract, the investor may receive the state in-kind grant and apply for the provision of a land plot to the local municipality<sup>7</sup>

## Step 2: Register the land use right for the RE facilities construction

<sup>2</sup> Article 71 of the Land Code

<sup>3</sup>The Order of the Acting Minister of Energy of the Republic of Kazakhstan dated July 27, 2016 No. 345, On Approval of the Rules for the Formation of the RE Facilities Siting Plan

<sup>4</sup>Rules for the Reservation of Land approved by the Order of the Minister of National Economy of the Republic of Kazakhstan dated February 28, 2015, No. 178

<sup>6</sup>Resolution of the Government of the Republic of Kazakhstan dated February 24, 2020

<sup>5</sup>Article 43 of the Land Code

<sup>7</sup>Order of the Minister for Investments and Development No. 1133 dated November 30, 2015, On Certain Issues of State Support for Investments



# Option 1: the land plot use for engineering survey activities

## STEP 1

Memorandum of understanding with the local municipality

- Survey works for construction purposes are carried out on lands owned by the state without granting the right to a land plot
- The designed construction project must comply with the urban development plans<sup>8</sup>



## STEP 2

Permission to use the land plot for engineering surveys activities

- The Order is issued by the local municipality within 10 working days<sup>9</sup>

Contract on conducting engineering survey activities

- Engineering surveys for construction are carried out by licensed legal entities and/or individuals (surveyors) with an appropriate license
- Surveyors may carry out these works without withdrawing the lands from private owners or land users<sup>8</sup>

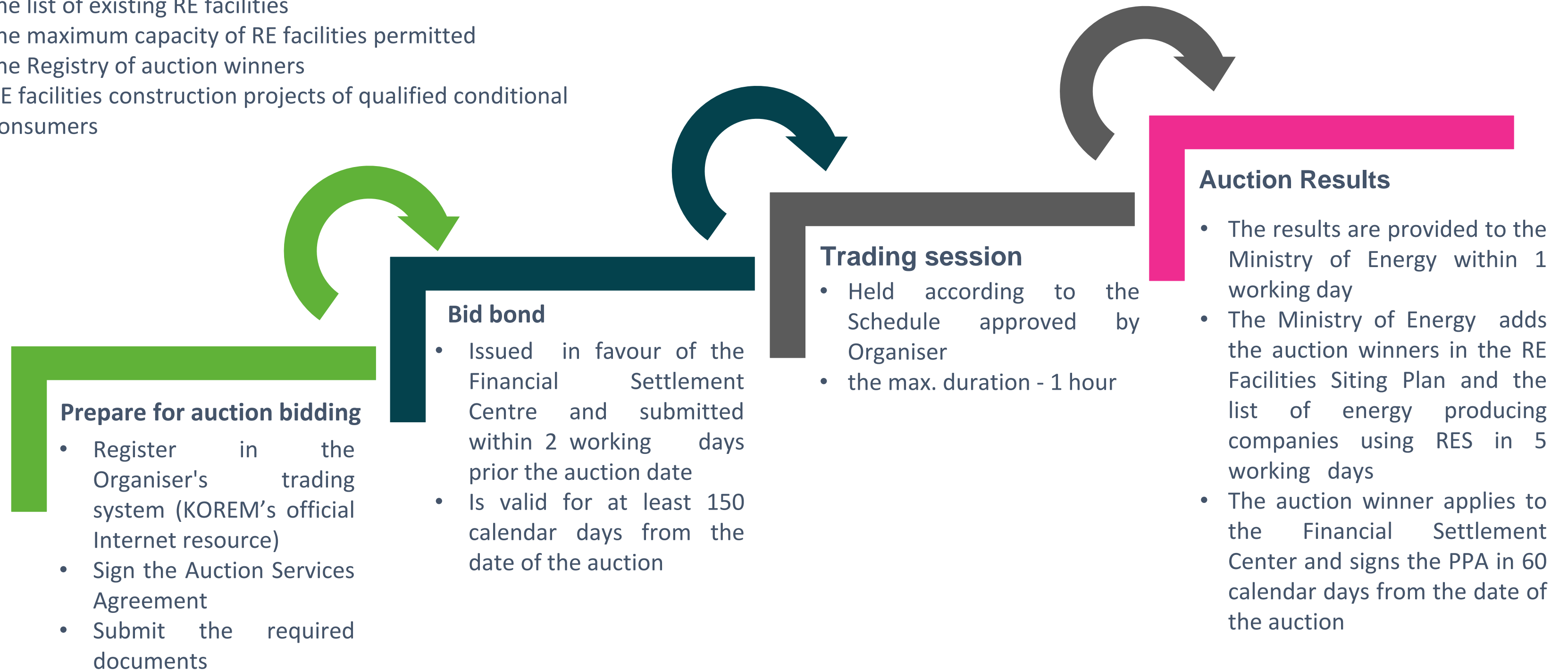
<sup>8</sup>Art. 71 of the Land Code

<sup>9</sup> Appendix 2 to the Order of the Minister Order of the Minister of Agriculture of the Republic of Kazakhstan No. 301 of 1 October 2020

## Option 2: Participation in RE auctions / RE facilities siting plan

The RE facilities siting plan is developed based on<sup>10</sup>:

- the RE sector development targets
- the list of existing RE facilities
- the maximum capacity of RE facilities permitted
- the Registry of auction winners
- RE facilities construction projects of qualified conditional consumers



<sup>10</sup>The Order of the Acting Minister of Energy of the Republic of Kazakhstan dated July 27, 2016 No. 345, On Approval of the Rules for the Formation of the RE Facilities Siting Plan

<sup>11</sup> The Order of the Minister of Energy of the Republic of Kazakhstan dated December 21, 2017 No. 466 On approval of the Rules for organizing and conducting auction

## Option 3: In-kind grant for temporary gratuitous use of land plot

### STEP 1

Apply to the Committee on Investments, Ministry of Foreign Affairs of the Republic of Kazakhstan

### STEP 2

Sign the investment contract within 10 business days after the decision on granting investment preferences is made

### STEP 3

Register the investment contract with the Committee on Investments of the Ministry of Foreign Affairs within 5 business days from the date of signing<sup>11</sup>

### Priority investment project is an investment project for<sup>12</sup>:

- construction of production facilities, providing for investments of at least approx. USD14 mln.
- expansion and/or renovation of existing production facilities, providing for investments of at least approx. USD35 mln.

<sup>11</sup>Article 294 of the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015 No. 375-V ZRK

<sup>12</sup> Article 284 of the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015 No. 375-V ZRK

## Further actions for options 1-3:

### Registration of the land use right for the construction of RE facilities

#### STEP 1



Apply to the local municipality to obtain the land plot

#### STEP 2

##### Land plot selection act

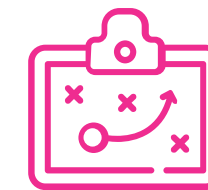
- Land plot selection act is developed by Land Relations Offices jointly with Architecture and Urban Planning Offices (A&UPO) in 10 working days<sup>12</sup>

#### STEP 3

##### Land management project

- Resolution of the Land Commission to grant or refuse the land plot approved within 5 working days
- Development of the land management project by the Research and Production Center of the Land Cadastre/ licensed entities
- The land management project is approved by the Land Relations Offices in 7 working days

#### STEP 4



##### Land commission decision

- Land commission of the local municipality approves it in 7 working days

<sup>12</sup> Article 44, Land Code

<sup>13</sup> Article 43, Land Code

## Further actions: land use right registration for RE facilities construction

### STEP 5



Land use contract  
(short-term, long-term, non-gratuitous, gratuitous)

- Is signed on the basis of the decision on granting the land plot rights in 10 working days<sup>14</sup>
- Issued by the local municipality

### STEP 6

Act of land delineation  
in the field

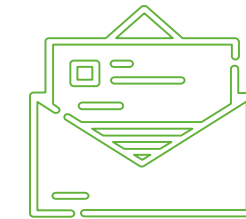
- The Land Relations Offices develop the Act within 1 months

### STEP 7

Identification  
documents for a land  
plot

- A certificate is issued by the local Public Service Center within 4 working days after submitting the documents<sup>15</sup>

### STEP 8



State registration of  
the land use right

- The land use rights must be registered by the local Public Service Center within 3 working days after submitting the documents

<sup>14</sup> Article 43, Land Code

<sup>15</sup> Article 43, Land Code



# Other permits the Developer may need



## Environmental Impact Assessment (EIA):

The EIA is mandatory for all types of economic and other activities that may have a direct or indirect impact on the environment.

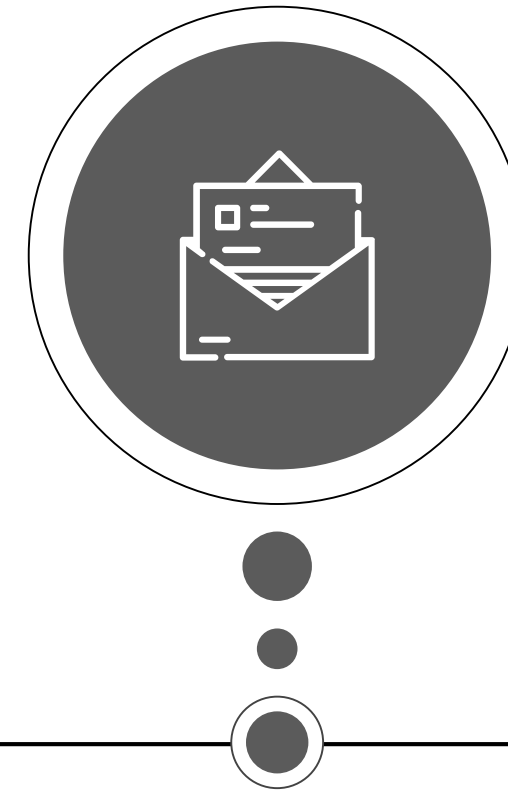
As part of the EIA the Developer must obtain the permits on absence of the objects of historical and cultural heritage, burial grounds, as well as approvals from the forest and animal inspection.



## Environmental Permits:

Natural resource users emitting pollutants to the environment are required to obtain an environmental emissions permit.

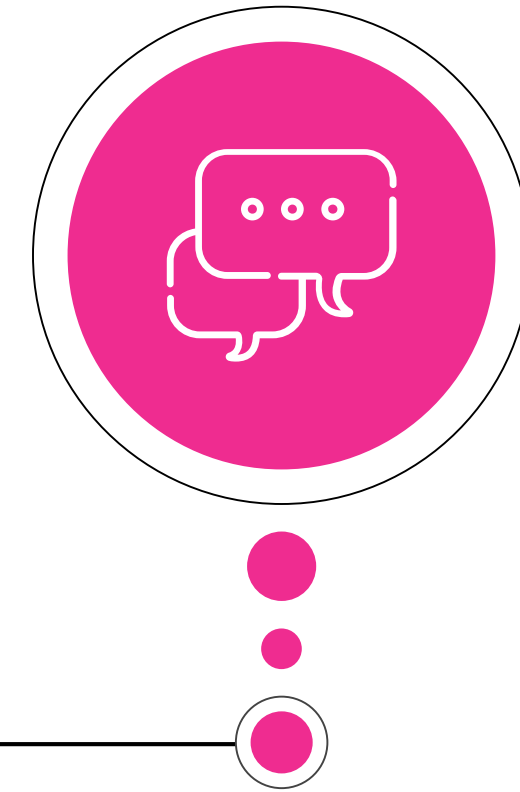
Natural resource users are obliged to submit a quarterly report on the fulfillment of the environmental management conditions to the local authority.



## Special Water Use Permit: (for hydropower plants)

The permit to water use is granted for:

- Short-term use: up to 5 years
- Long-term use: from 5 to 49 years.



## Compensation for losses in agricultural production:

There is a reimbursement to the state budget for losses of agricultural production caused by the seizure of agricultural land for purposes not related to agriculture.

The compensation is paid in case of the change of the category of agricultural lands.