



On approval of the Rules for subsidizing interest rates when lending to subjects of the agro-industrial complex, as well as leasing for the purchase of farm animals, machinery and technological equipment

Unofficial translation

Order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan dated October 26, 2018 № 436. Registered with the Ministry of Justice of the Republic of Kazakhstan on November 15, 2018 № 17741.

Unofficial translation

Footnote. Title - as amended by order of the Minister of Agriculture of the Republic of Kazakhstan dated June 22, 2020 No. 205 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Under sub-paragraph 41) of paragraph 1 of Article 6 of the Law of the Republic of Kazakhstan “On State Regulation of Agricultural Complex and Rural Areas Development”, sub-paragraph 1) of Article 10 of the Law of the Republic of Kazakhstan “On Public Services” and sub-paragraph 2) of paragraph 3 of Article 16 of the Law of the Republic of Kazakhstan “On State Statistics” **I HEREBY ORDER:**

Footnote. The preamble - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

1. To approve the attached Rules for subsidizing remuneration rates for lending to agricultural entities, as well as leasing for the purchase of farm animals, machinery and technological equipment.

Footnote. Clause 1 - as amended by order of the Minister of Agriculture of the Republic of Kazakhstan dated June 22, 2020 No. 205 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

2. To deem as no longer in force:

1) Order no.50 of the Deputy Prime Minister of the Republic of Kazakhstan – Minister of Agriculture of the Republic of Kazakhstan dated February 1, 2017 "On approval of the Rules for subsidization of the interest rates on loans and leasing of technological equipment, for purchase of livestock animals, as well as on leasing of agricultural machinery" (registered in the Register of the State Registration of Regulatory Legal Acts no.14815, published on March 2, 2017 in the Reference Control Bank of the Regulatory Legal Acts of the Republic of Kazakhstan);

2) Order no. 233 of the Deputy Prime Minister of the Republic of Kazakhstan – Minister of Agriculture of the Republic of Kazakhstan dated June 1, 2018 "On amendments to the

Order no.50 of the Deputy Prime Minister of the Republic of Kazakhstan – Minister of Agriculture of the Republic of Kazakhstan dated February 1, 2017 "On approval of the Rules for subsidization of the interest rates on loans and leasing of technological equipment, for purchase of livestock animals, as well as on leasing of agricultural machinery" (registered in the Register of the State Registration of Regulatory Legal Acts no.17205, published on August 1, 2018 in the Reference Control Bank of the Regulatory Legal Acts of the Republic of Kazakhstan).

3. The Department of Investment Policy of the Ministry of Agriculture of the Republic of Kazakhstan in accordance with the procedure, established by the legislation, shall ensure:

1) state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

2) within ten calendar days from the date of state registration of this order with the Ministry of Justice of the Republic of Kazakhstan the direction hereof to the Republican State Enterprise on the Right of Economic Management "Republican Center of Legal Information of the Ministry of Justice of the Republic of Kazakhstan" for official publication and placement in the Reference Control Bank of the Regulatory Legal Acts of the Republic of Kazakhstan;

3) within ten working days after the state registration of this order, direction of a copy hereof for official publication to periodical printed media;

4) placing this order on the Internet resource of the Ministry of Agriculture of the Republic of Kazakhstan;

5) within ten working days after the state registration of this order, reporting to the Department of Legal Services of the Ministry of Agriculture of the Republic of Kazakhstan on performance of activities, stipulated by sub-items 2) 3) and 4) of this item.

4. Control over the execution of this order shall be entrusted to the supervising Vice-Minister of Agriculture of the Republic of Kazakhstan.

5. This order shall be put into effect from January 1, 2019.

*Deputy Prime Minister
of the Republic of Kazakhstan –
Minister of Agriculture
of the Republic of Kazakhstan*

U. Shukeyev

"AGREED"

Ministry of Information and
Communications of the
Republic of Kazakhstan

"AGREED"

Ministry of Finance of the
Republic of Kazakhstan

"AGREED"

Rules for subsidizing interest rates when lending to subjects of the agro-industrial complex, as well as leasing for the purchase of farm animals, machinery and technological equipment

Footnote. The rules are in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated June 22, 2020 No. 205 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Chapter 1. General Provisions

1. These Rules for Subsidising Interest Rates when Lending to Agro-Industrial Complex Entities, as well as Leasing for the Purchase of Farm Animals, Machinery and Technological Equipment (hereinafter - Rules) have been developed in line with sub-paragraph 41) of paragraph 1 of Article 6 of the Law of the Republic of Kazakhstan “On State Regulation of the Development of Agro-Industrial Complex and Rural Areas”, sub-paragraph 1) of Article 10 of the Law of the Republic of Kazakhstan “On State Services” (hereinafter - the Law on State Services) and sub-paragraph 2) of paragraph 3 of Article 16 of the Law of the Republic of Kazakhstan “On State Statistics”, and determine the procedure for subsidising interest rates when lending to agro-industrial entities, as well as leasing for the purchase of farm animals, machinery and technological equipment at the expense and within the limits of the funds budgeted for the relevant financial year.

Unliquidated obligations from previous years shall be paid from the current year's funds, subject to the availability of unencumbered funds in the budget.

Footnote. Paragraph 1 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall be put into effect ten calendar days after the date of its first official publication).

2. The main purpose of subsidizing interest rates in lending to the agro-industrial complex , as well as leasing for the purchase of farm animals, machinery and technological equipment is to increase the availability of financial services for the agro-industrial complex.

3. The following basic concepts are used herein:

1) an agreement for subsidising interest rates on loans to agribusinesses and leasing for the purchase of farm animals, machinery and technological equipment (hereinafter the subsidy agreement) is a written agreement entered into in paper or electronic form between the borrower, the working body (service provider) for the distribution of subsidies and the

financial institution, stipulating the procedure and conditions for transferring subsidies and the liability of the parties;

2) The Government for Citizens State Corporation (hereinafter, the State Corporation) is a legal entity established by the Decision of the Government of the Republic of Kazakhstan to provide public services, services on issuing technical conditions for connection to the grids of natural monopoly entities and services of quasi-public sector entities under the legislation of the Republic of Kazakhstan, organisation of work on accepting applications for public services, services on issuing technical conditions for connection to the grids of EU subjects;

3) farm animals (hereinafter referred to as animals) - all kinds of animals, birds, fish and bees directly related to agricultural production, cultivated by humans;

4) personal profile - personal web page of the user (borrower (service recipient), financial institution, working body (service provider) for the distribution of subsidy funds) in the electronic register of applications for subsidies;

5) personal account - a set of records kept in the electronic register of applications for subsidies, enabling the identification of the registered person for the purpose of registering applications for subsidies and recording transactions thereon;

6) excluded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall be enforced since 01.01.2023);

7) financial institutions - the Development Bank of Kazakhstan, second-tier banks, foreign and international financial institutions engaged in banking operations through Kazakhstani financial institutions, credit institutions licensed to conduct banking operations, as well as leasing companies and credit partnerships in the agro-industrial sector;

8) a borrower (service recipient) - an individual or a legal entity, an individual entrepreneur (including peasant (farm) enterprise) who has entered into a loan agreement with a financial institution and carrying out activities in accordance with the list of goods for lending and financial leasing for priority projects in the field of production and (or) processing of agricultural products in accordance with Appendix 1 to these Rules, as well as in accordance with paragraphs 1, 3 and 4 (general classifier of economic activities code 1107) of the list of economic sectors for processing and production in the agro-industrial complex and manufacturing industry in accordance with Appendix 2 to the Mechanism for lending and financial leasing of priority projects, approved by the resolution of the Government of the Republic of Kazakhstan dated December 11, 2018 No. 820 "On some issues of ensuring long-term tenge liquidity to solve the problem of affordable lending" (hereinafter - the Mechanism for lending and financial leasing of priority projects), and paragraphs 1, 2, 3, 4, 5, 6 and 7 of the list of key (priority) sectors of the economy in accordance with Appendix 4 to the Mechanism for lending and financial leasing of priority projects;

9) a loan agreement - an agreement concluded between a financial institution and a borrower (service recipient), under the terms thereof the financial institution grants a loan/leasing, as well as an agreement concluded on the principles of Islamic financing;

10) a working authority for distributing subsidy funds (hereinafter referred to as a working authority (service provider)) - a structural subdivision of local executive bodies of regions, cities of republican significance and the capital, implementing functions in the field of agriculture;

11) application for a subsidy - a paper or electronic application by a financial institution for payment of the subsidised part of the interest rate under the borrower's (service recipient's) loan agreement);

12) an electronic register of subsidy applications - a combination of data on subsidy applications, as well as on borrowers (service recipients), financial institutions, and other data reflected in the state subsidy information system;

13) state information system for subsidies (hereinafter - SIS) - an organisationally arranged combination of information and communication technologies, support staff and technical documentation intended to offer services for the implementation of subsidy processes, enabling interaction with the e-government web portal, registration of the application for subsidies, as well as its processing by automatically verifying the application for compliance with subsidy conditions;

14) a web portal of the state subsidy information system (hereinafter referred to as the web portal) - an Internet resource located on the Internet offering access to the state subsidy information system;

15) interest rate - a fee due to a financial institution for the use of a loan in percentage terms, including the rate of return paid by the borrower (service recipient) under a loan agreement concluded on the principles of Islamic finance;

16) technological equipment - equipment for the production and processing of agricultural products, consisting of direct purpose equipment and auxiliary equipment, without the use thereof a complete technological cycle cannot be ensured;

17) a proposal - a joint proposal of the borrower and the financial institution to enter into a subsidy agreement signed on paper or electronically with an electronic digital signature in the form as per Annex 1-1 hereto;

18) e-government web portal - an information system providing a single window of access to all consolidated government data, including the regulatory framework, and to public services and other services provided in electronic form;

19) electronic digital signature (hereinafter referred to as EDS) - a complex of electronic digital characters created by means of electronic digital signature and confirming the authenticity of an electronic document, its ownership and invariability of its content.

Footnote. Paragraph 3 - as reworded by Order No. 161 of the Minister of Agriculture of the Republic of Kazakhstan dated 13.05.2021 (shall be enacted ten calendar days after the date of its first official publication); as amended by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be effective ten calendar days after the date of its first official publication); of the Acting Minister of Agriculture of the

Republic of Kazakhstan No. 438 of 23.12.2022 (shall take effect since 01.01.2023); No. 77 of 28.02.2023 (shall enter into force ten calendar days after the date of its first official publication); dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

4. Subsidies shall be granted under loan agreements:

1) for the acquisition of agricultural machinery, including mounted and trailed equipment, as well as for the acquisition of farm animals, for investment purposes (excluding passenger cars and passenger transport), construction (excluding loans for the acquisition of fixed assets for the production of flour, mineral water and soft drinks);

2) for replenishment of working capital required for the technological cycle of the production process;

3) on loans granted for spring field and harvesting works.

Under loan agreements indicated in sub-paragraphs 1), 2) and 3) of part one of this paragraph, subsidies shall be granted not more than the nominal interest rate calculated as the total expression of the base rate of the National Bank of the Republic of Kazakhstan plus 7.5 (seven point five) per cent (hereinafter - %) per annum in tenge.

The base rate of the National Bank of the Republic of Kazakhstan in effect at the time of conclusion of the loan agreement shall be applied when considering the proposal.

Under loan agreements mentioned in sub-paragraphs 1), 2) and 3) of part one of this paragraph and executed from January 25, 2022, the borrower shall pay 6 (six) % of the nominal interest rate, the state budget shall subsidise the remaining part of the nominal interest rate resulting from the difference between the sum of the base rate of the National Bank of the Republic of Kazakhstan plus 7.5 (seven point five) % per annum and the 6 (six) % in tenge paid by the borrower..

A reduction in interest rates shall be provided for loan agreements indicated in sub-paragraphs 1), 2) and 3) of this paragraph and executed prior to January 25, 2022 with a nominal interest rate of not exceeding 17 (seventeen) % per annum in tenge:

1) for the procurement of agricultural machinery, including mounted and trailed equipment, as well as for the procurement of farm animals, for investment purposes (excluding passenger cars and passenger transport), construction (excluding loans for the purchase of fixed assets for the production of flour, mineral water and soft drinks) at the following rates, involving a reduction in interest rates:

by 10 (ten) per cent (hereinafter - %) per annum in tenge;

2) for replenishment of working capital required for the technological cycle of the production process, a reduction in interest rates shall be envisaged:

by 7 (seven) % per annum in tenge;

3) for loans granted for spring field and harvesting works, a reduction in interest rates shall be envisaged:

by 9 (nine) % per annum in tenge.

Under existing subsidy agreements signed prior to December 4, 2021, under loan agreements issued in Russian rubles and other currencies, the interest rate may not be reduced below 4 (four) % per annum in Russian rubles and below 3 (three) % per annum in other currencies.

Footnote. Paragraph 4 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan № 77 of 28.02.2023 (shall become effective ten calendar days after the date of its first official publication).

5. Subsidizing the interest rate under loan agreements concluded before July 26, 2022, and issued by financial institutions within the framework of the Mechanism for lending and financial leasing of priority projects shall be carried out:

1) for investment purposes with a reduction in interest rates by 10 (ten)% per annum in tenge, while the subsidy period is no more than 10 (ten) years without the right of extension;

2) to replenish working capital with a reduction in interest rates by 9 (nine)% per annum in tenge, while the subsidy period is no more than 3 (three) years without the right of extension;

3) for carrying out spring field and (or) harvesting works with a reduction in interest rates by 9 (nine)% per annum in tenge, while the subsidy period is no more than 1 (one) year without the right of extension.

Subparagraph 2) of this paragraph shall apply to relations that have arisen since January 1, 2019.

Within the framework of this paragraph, current loan agreements issued by financial institutions in accordance with paragraphs 1, 3, and 4 (general classifier of economic activities code 1107) of the list of economic sectors for processing and production in the agro-industrial complex and manufacturing industry shall be subject to subsidization in accordance with Appendix 2 to the Mechanism for lending and financial leasing of priority projects and paragraphs 1, 2, 3, 4, 5, 6 and 7 of the list of key (priority) sectors of the economy in accordance with Appendix 4 to the Mechanism for lending and financial leasing of priority projects.

Within the framework of this paragraph, syndicated loans from second-tier banks and (or) the Development Bank of Kazakhstan shall be subject to subsidization of interest rates.

Footnote. Paragraph 5 is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

5-1. Subsidising interest rates on loan agreements granted by financial institutions as part of the Employment Roadmap for 2020-2021 shall be performed:

1) for loans granted by the Development Bank of Kazakhstan:
for investment purposes with decrease in interest rates by 5 (five) % per annum in tenge, with the subsidy period not exceeding 10 (ten) years without the right to prolongation;

for replenishment of working capital with interest rates reduced by 5 (five) % per annum in tenge, with a subsidy period of maximum 3 (three) years without the right to prolongation;

2) on loans provided by Agrarian Credit Corporation Joint Stock Company:

for investment purposes with interest rates reduced by 5.5 (five point five) per cent per annum in tenge, with a subsidy period of no more than ten (10) years without the right to prolongation;

for replenishment of working capital with interest rates reduced by 5.5 (five point five) % per annum in tenge, with a subsidy period of up to three (3) years without the right to prolongation.

Herewith, under the loan agreements listed in sub-paragraphs 1) and 2) of part one of this paragraph, the interest rate may not be reduced below 6 (six) per cent per annum.

Footnote. Chapter 1 as supplemented by paragraph 5-1, under order of the Minister of Agriculture of the Republic of Kazakhstan No. 336 dated 19.11.2021 (shall be effective ten calendar days after the date of its first official publication); as revised by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall take effect ten calendar days after the date of its first official publication).

5-2. Subsidizing the interest rate under loan agreements concluded after July 26, 2022, and issued by financial institutions within the framework of the Mechanism for lending and financial leasing of priority projects shall be carried out:

1) for investment purposes with a subsidy period of no more than 5 (five) years without the right of extension;

2) to replenish working capital with a subsidy period of no more than 3 (three) years without the right of extension.

At the same time, under the loan agreements specified in subparagraphs 1) and 2) of part one of this paragraph, the subsidization of the interest rate shall be carried out no more than the nominal interest rate, calculated as the total expression of the base rate of the National Bank of the Republic of Kazakhstan plus 4.5 (four point five) % per annum in tenge, of which 13.25 (thirteen point twenty-five)% is paid by the state, and the difference is paid by the borrower (service recipient) (projects approved before the approval of the above remuneration rate shall be valid on the previously approved conditions of the working body (service provider) until the borrower (service recipient) fully fulfills its obligations under them.

Within the framework of this paragraph, current loan agreements issued by financial institutions in accordance with paragraphs 1, 3, and 4 (general classifier of economic activities code 1107) of the list of economic sectors for processing and production in the agro-industrial complex and manufacturing industry shall be subject to subsidization in accordance with Appendix 2 to the Mechanism for lending and financial leasing of priority projects and paragraphs 1, 2, 3, 4, 5, 6 and 7 of the list of key (priority) sectors of the economy in accordance with Appendix 4 to the Mechanism for lending and financial leasing of priority projects.

The period for subsidizing projects under paragraphs 1, 2, 3, 4, 5, 6, and 7 of the list of key (priority) sectors of the economy aimed at investments, in accordance with Appendix 4 to the Mechanism for lending and financial leasing of priority projects, is no more than 7 (seven) years, with the exception of projects provided for in subparagraphs 1) and 2) of part one of this paragraph.

Subsidizing of projects under paragraphs 1, 2, 3, 4, 5, 6 and 7 of the list of key (priority) sectors of the economy in accordance with Appendix 4 to the Mechanism for lending and financial leasing of priority projects shall be carried out under loan agreements with a nominal interest rate not exceeding the base rate established by the National Bank of the Republic of Kazakhstan and increased by 4.5 (four point five)% per annum in tenge, of which 13.25 (thirteen point twenty-five)% is subsidized by the state, and the difference is paid by the borrower (service recipient) (projects approved before approval the above remuneration rate shall be valid on the previously approved conditions of the working body (service provider) until the borrower (service recipient) fully fulfills its obligations under them).

Within the framework of this paragraph, in the event of a reduction in the base rate established by the National Bank of the Republic of Kazakhstan on December 6, 2022, the state-subsidized part of the remuneration rate shall be reduced by an equivalent change to the reduced value of the base rate of the National Bank of the Republic of Kazakhstan.

Within the framework of this paragraph, syndicated loans from second-tier banks and (or) the Development Bank of Kazakhstan shall be subject to subsidization of interest rates.

Within the framework of this paragraph, previously subsidized loan agreements aimed at refinancing loans/financial leasing agreements, previously approved/issued by financial institutions that are under sanctions and comply with the conditions specified in the Mechanism for lending and financial leasing of priority projects, shall also be subject to subsidization.

At the same time, refinancing shall be carried out only at the expense of the financial institutions' own funds.

Footnote. Chapter 1 as supplemented by paragraph 5-2 under order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall be put into effect ten calendar days after the date of its first official publication); is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

5-3. Previously subsidized loan agreements aimed at refinancing a loan/leasing, previously issued by financial institutions for the purposes provided for in part one of paragraph 4 of these Rules, shall be subject to subsidization, without limiting the period from the date of conclusion of the loan agreement to the submission of a proposal for subsidization.

Loan agreements that have received the approval of the working body (service provider) can be refinanced in other financial institutions on previously approved subsidy conditions without extending the subsidy period and without increasing the previously approved amount

of subsidies specified in the subsidy agreement signed with the financial institution from which the refinancing was carried out.

Footnote. Chapter 1 as supplemented by paragraph 5-3 pursuant to order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall apply upon expiry of ten calendar days after the day of its first official publication); is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

6. Subsidizing is carried out under a loan agreement that meets the requirements for a loan agreement in accordance with Appendix 2 to these Rules.

7. A subsidy agreement signed before the entry into force of these Rules shall continue to be subsidised under the conditions specified in the subsidy agreement, excluding the cases specified in part two of paragraph 5, part four of paragraph 9, and part three of paragraph 12 hereof.

The financial institution shall convert paper subsidy contracts into electronic format and register them in the SIS.

Footnote. Paragraph 7 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 dated 23.12.2022 (shall become effective on 01.01.2023).

8. Loan agreements valid on the date of submission of the proposal and concluded no earlier than 4 (four) years before the submission of the proposal shall be subject to subsidization.

A loan agreement for which a decision was made to terminate subsidies shall be allowed to re-participate in the program no more than 1 (one) time.

For loan agreements re-participating in the program, subsidies shall be restored from the date the borrower submits a proposal for re-participation on the same conditions specified in the previously canceled subsidy agreement, in terms of standards, subsidy terms, without increasing the previously approved amount of subsidies, excluding the requirement for a period of 4 (four) years, for the period from the date the borrower submitted the proposal, except for the cases provided for in part two of paragraph 5, part four of paragraph 9 and part three of paragraph 12 of these Rules.

Footnote. Paragraph 8 is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

9. The subsidy under a loan agreement shall be for the duration of the agreement.

Under loan agreements in force at the date of the offer and concluded not earlier than 4) four years prior to the offer, the subsidy shall accrue as from January 1 of the year when the offer is submitted.

Under loan agreements entered into in the year of the subsidy offer, the subsidy shall be accrued from the moment the loan is granted or the leased asset is transferred.

Under loan agreements approved by the working authority (service provider) in 2019, as well as under loan agreements entered into in 2019 and approved by the working authority (service provider) in 2020, the financial institutions and the working authority (service provider) shall recalculate the subsidy amounts with regard to the subsidy accrual from January 1, 2019.

Obligations resulting from the recalculation of subsidy amounts in respect of the accrual of the subsidy as from January 1, 2019, in the year concerned shall be effected by concluding a supplementary agreement to the subsidy agreement, and shall relate to the obligations of the year concerned.

Under loan agreements approved by the working authority (service provider) in 2021, the financial institutions and the working authority (service provider) shall recalculate the subsidy amounts for the accrual of the subsidy from January 1, 2021, or when the loan is issued or the leased asset is transferred.

Obligations resulting from the recalculation of subsidy amounts with respect to the accrual of the subsidy from January 1, 2021 in the year concerned shall be performed by concluding a supplementary agreement to the subsidy contract, and shall relate to the obligations of the year concerned.

A notification of recalculation of the amount of subsidy in respect of the accrual of the subsidy in the form set out in Annex 2-1 hereto, accompanied by a copy of the loan agreement with repayment schedule, shall be submitted by the financial institution.

The working authority (service provider) shall take a decision on recalculating the subsidy amount with regard to the accrual of the subsidy within three (3) working days after receiving the notification on recalculating the subsidy amount with regard to the accrual of the subsidy from the financing institution.

Footnote. Paragraph 9 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

10. Under loan agreements issued by a financial institution in foreign currency, subsidizing is carried out in tenge at the rate established by the National Bank of the Republic of Kazakhstan on the date of payment by the borrower (service recipient) of the interest rate.

11. In the event of a positive exchange rate difference, it is counted towards future subsidies, and in the case of a negative exchange rate difference, it is paid by the borrower (service recipient).

12. If the conditions of the loan agreement have been changed (except for the cases provided for in part two of paragraph 5, part four of paragraph 9, and part three of paragraph 12 of these Rules), the previously approved and accrued amount of subsidies shall not be increased and the subsidy period shall not be extended.

This restriction shall not apply to loan agreements if financial institutions provide a deferral in the payment of the interest rate and (or) repayment of the principal debt for a

period of no more than 24 (twenty-four) months due to the occurrence of aggravating circumstances for the borrower (service recipient) according to the documents of the authorized bodies, including as a result of the introduction of a state of emergency in accordance with Article 5 of the Law of the Republic of Kazakhstan “On State of Emergency” or the declaration of a natural and man-made emergency in accordance with Article 48 of the Law of the Republic of Kazakhstan “On Civil Protection”.

Moreover, in the event of an increase in the amount of remuneration due to the provision of a deferral in the payment of the interest rate and (or) repayment of the principal debt for a period of no more than 24 (twenty-four) months, the amount of subsidies shall be recalculated upward, and an extension of the current subsidy agreement shall also be allowed.

Footnote. Paragraph 12 is in the wording of the order of the acting Minister of Agriculture of the Republic of Kazakhstan dated 29.12.2023 No. 472 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

13. In the event of a decrease in the amount of remuneration, the amount of subsidies is recalculated downward, separately for each year.

14. The responsible executor of the working body (service provider) within 3 (three) working days after the approval of the individual monthly financing plan for subsidizing interest rates (hereinafter - the Financing Plan) places it on the web portal.

Chapter 2. Conditions for obtaining subsidies

15. Subsidies shall be paid subject to the following conditions:

1) upon filing by the financial institution of an application for subsidisation in the form as per Annex 3 hereto.

In the event that the subsidy agreement is concluded in electronic form, the subsidy application shall be filed by the financial institution in electronic form.

If the subsidy agreement is concluded in paper form and not converted into electronic format, the application for subsidising shall be filed by the financial institution in paper form;

Outstanding subsidies of prior years under subsidy agreements concluded on paper and not converted into electronic format shall be paid upon application of the financial institution submitted in paper form as per payment schedules stipulated in paper subsidy agreements.

2) existence of a valid (not cancelled or terminated) agreement on this application for subsidisation of interest rates, concluded in the form according to Annex 4 hereto (at the time of submission of the application for payment);

3) no overdue obligations of the borrower (service recipient) on the principal debt and (or) remuneration under the subsidised loan agreement (at the time of application for payment).

The list of basic requirements for rendering the state service “Subsidising of Interest Rates when Lending to Agroindustrial Complex Entities, as well as Leasing for Acquisition of Farm Animals, Machinery and Technological Equipment” is given in Annex 5 hereto.

The result of rendering of the state service shall be a notification on transfer of subsidy in the form as per Annex 6 hereto, or a notification on refusal to render the state service in the form as per Annex 7 hereto.

The result of the state service shall be sent to the e-mail address provided by the borrower (service recipient) when registering in the SIS, as well as to the personal account in the SIS.

In case of paper form of rendering the state service, the result shall be issued via the State Corporation.

Footnote. Paragraph 15 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall go into effect ten calendar days after the date of its first official publication).

15-1. The hearing shall be held under Article 73 of the Administrative Procedure Code of the Republic of Kazakhstan.

Footnote. The Rules have been supplemented by paragraph 15-1 under order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall become effective from 01.01.2023).

Chapter 3. Procedure for payment of subsidies

16. Subsidization includes the following processes:

- 1) acceptance of the proposal;
- 2) conclusion of a subsidy agreement;
- 3) filing an application for subsidies;
- 4) payment of subsidies;
- 5) amendment of the subsidy agreement;
- 6) termination of the subsidy agreement.

17. Offers shall be accepted at the location (legal address) of the borrower (service recipient) from 10 January of the year concerned via the e-government web portal in electronic form or via the State Corporation in paper form.

The working authority (service provider) shall examine the offers in the order of priority based on the date and time of receipt of the offer.

Footnote. Paragraph 17 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be put into effect ten calendar days after the date of its first official publication).

18. Excluded by Order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 from 28.02.2023 (shall take effect ten calendar days after the date of its first official publication).

19. The proposal is submitted by the borrower (service recipient) with a copy of the loan agreement with the repayment schedule and is confirmed by the financial institution that financed it.

20. The working authority's (service provider's) decision on the offer shall include:

- 1) the name and location of the financial institution;
- 2) the name and location (legal address) of the borrower (beneficiary) on the offer for which the decision to enter into/refuse to enter into a subsidy agreement has been taken and, in case of refusal, a list of the reasons for such refusal;
- 3) the amount of the loan/lease;
- 4) duration of each loan agreement;
- 5) term of subsidisation;
- 6) subsidy rate;
- 7) total amount of subsidies under the loan agreement (broken down by year).

Footnote. Paragraph 20 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall enter into force ten calendar days after the date of its first official publication).

20-1. Proposals approved by the working body (the service provider) shall be received in the reserve (waiting list).

The working body (service provider), within 1 (one) working day after making a positive decision on the proposal in paper form, shall enter information from the proposal with a copy of the loan agreement with the repayment schedule in the SISS for inclusion in the reserve (waiting list).

Proposals shall be included in the reserve (waiting list) by the working body (service provider) in order of priority according to the date and time of receipt of the proposal. Information about the inclusion of a proposal in the reserve (waiting list) shall be reflected in the SISS.

For proposals received in the reserve (waiting list), payment of subsidies shall be carried out in order of priority according to the date and time of receipt of the proposal in the reserve (waiting list) when additional budget funds are allocated in the current financial year. In the absence of additional budget funds in the current financial year, for proposals received in the reserve (waiting list), payment of subsidies shall be carried out in the next financial year.

For proposals received in the reserve (waiting list), for which at the time of concluding the subsidy agreement the term of the loan agreement has expired, subsidy agreements shall be signed and subsidies shall be paid in accordance with the requirements of these Rules and the financing plans of the working body (service provider).

Notification on the inclusion of a proposal in the reserve (waiting list) in the form according to Appendix 7-1 to these Rules within 1 (one) working day after a positive decision on the proposal is made shall be sent by the working body (service provider) to the financial institution and the borrower (service recipient).

Footnote. Chapter 3 as supplemented by paragraph 20-1, under Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be put into effect ten calendar days after the date of its first official publication); is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410

(shall be enforced upon expiry of ten calendar days after the day of its first official publication).

21. If budget funds are available, the working authority (service provider) shall send the borrower (service recipient) and the financing institution a notification of the conclusion of the subsidy agreement, observing the order of priority of the offers received in the reserve (waiting list).

Footnote. Paragraph 21 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall come into force ten calendar days after the date of its first official publication).

22. The working body (service provider) shall carry out unilateral termination of the subsidy agreement in the following cases:

1) the presence in the agreement of obligations unfulfilled by the borrower (service recipient) to repay the principal debt and (or) remuneration for more than 90 (ninety) calendar days;

2) misuse of funds under the loan agreement;

3) seizure of the borrower's (service recipient's) accounts by a court decision that has entered into legal force;

4) a written application in any form of the borrower (service recipient) about refusal to receive subsidies;

5) full repayment by the borrower (service recipient) of obligations to the financial institution under the loan agreement;

6) cancellation or termination of the loan agreement, except for the case specified in part five of paragraph 20-1 of these Rules.

Footnote. Paragraph 22 is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

22-1. The Financial Institution shall ensure verification of the borrower's (service recipient's) adherence to the terms and conditions of the loan agreement, including full utilisation and targeted use of the funds under the loan agreement for granting the loan.

The borrower (service recipient) shall present to the financial institution the information on the use (including the intended use) of funds under the loan agreement for granting the loan.

The financial institution shall submit to the working body (to the service provider) information on the use (including on the intended use) of funds under the loan agreement for granting the loan within three months from the date of signing the act on the use of funds.

In the event of incomplete or inappropriate use of funds under the loan agreement, the borrower (service recipient) shall return the subsidies paid in proportion to the amount of incomplete or inappropriate use of funds under the loan agreement for the provision of the loan.

Footnote. Chapter 3 as supplemented by paragraph 22-1 under order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall come into effect ten calendar days after the date of its first official publication).

23. Within 3 (three) working days of the signing of the subsidy agreement and/or thereafter one month prior to the due date of payment, the Financial Institution shall submit to the Working Authority (service provider) an application for subsidy as per Annex 3 hereto to fulfil the requirements laid down in Paragraph 30 hereof.

Footnote. Paragraph 23 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

24. For applications for subsidies in which the amount of subsidies exceeds the amount of budgetary funds provided for in the Funding Plan for the corresponding month, the payment of subsidies is carried out in the next month in the order of priority from the date of application.

At the same time, the term for the provision of public services in the current month is suspended and resumed from the first working day of the next month.

25. If, before the formation of an invoice for payment of a subsidy by the working body (service provider), the existence of a discrepancy in the data in the registered application is revealed, the financial institution withdraws the application, indicating the reason for the withdrawal.

26. The financial institution opens a special bank account for the transfer of subsidies by the working body (service provider) under the concluded subsidy agreements, and in the absence of such an opportunity, opens a special account in the servicing bank.

27. A financial institution uses funds in a special bank account only to pay the subsidized part of the interest rate to the borrower (service recipient) under the loan agreement.

28. When a financial institution receives a non-subsidized part of the interest rate from the borrower (service recipient), it writes off the subsidized part of the interest rate from the special account in accordance with the repayment schedule to the loan agreement.

29. In the event of the due date of payment under the loan agreement and there is no funds in the special bank account of the financial institution to pay the subsidized part of the interest rate, the borrower (service recipient) pays the full interest rate at its own expense. The financial institution notifies the borrower (service recipient) at least 5 (five) business days before the due date of the need to pay the full rate of interest at its own expense. The working body (service provider) compensates the subsidized part of the remuneration rate by crediting funds to a special bank account of a financial institution. In this case, the financial institution, within 10 (ten) business days from the date of receipt of funds to the special bank account of the financial institution from the working body (service provider), reimburses the borrower (service recipient) of the previously paid, subsidized part of the interest rate by transferring the subsidized interest rate to the current account borrower (service recipient).

30. The working body (service provider), according to the application for subsidies, monthly transfers in advance to a special bank account of the financial institution the subsidized part of the remuneration rate, per month, in the previous month, in which the next payment of subsidies is made.

31. In the event of the formation of the balance of unused funds on a special account, their return is provided:

1) if the borrower (service recipient) is excluded from the program by a financial institution within 1 (one) month after the decision is made by the working body (service provider);

2) when the terms of the current loan agreement are changed, as well as early repayment of the principal debt by the financial institution within 1 (one) month after the submission of quarterly reports;

3) if the borrower (service recipient) fails to fulfill its obligations to repay the planned payment of the principal debt and (or) remuneration for a period of more than 90 (ninety) calendar days in a row within 1 (one) month from the date of receipt of information from the working body (service provider) on the termination of subsidizing the borrower (service recipient).

At the same time, the return of payments made in the current financial year is carried out by restoring the cash expenses of the working body (service provider) by increasing the amount of unfulfilled obligations and reducing cash expenses according to the corresponding codes of the budget classification of expenses in accordance with the order of the Minister of Finance of the Republic of Kazakhstan dated September 18, 2014 No. 403 "On some issues of the Unified Budget Classification of the Republic of Kazakhstan" (registered in the Register of State Registration of Regulatory Legal Acts No. 9756).

In case of return of payments of previous years, the amount of the return is credited to the income of the corresponding budget from which the payments were made.

32. In the event of a change in the conditions of the current loan agreement (interest rate, including a change in the rate when replacing own or borrowed funds with budgetary funds and when replacing budgetary funds with own and (or) borrowed funds in accordance with the basic conditions for providing a budget loan for carrying out activities on support for subjects of the agro-industrial complex to conduct spring field and harvesting works, established by the decision of the central authorized body for budget execution in accordance with paragraph 2 of Article 180 of the Budget Code of the Republic of Kazakhstan, the terms of remuneration payment, the provision of a deferral on the payment of the principal debt and (or) remuneration, increase or decrease of an amount under the loan agreement), the financial institution within 10 (ten working days) shall notify the working body (service provider) of this, attaching a copy of the decision made to change the conditions of financing, an updated schedule for repayment of the principal debt, remuneration and the amount of subsidies.

If the subsidy agreement is concluded in paper form and is not converted into electronic format, the corresponding notification shall be submitted by the financial institution in paper form.

Footnote. Paragraph 32 is in the wording of the order of the acting Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 472 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

32-1. In subsidising the interest rates of loan agreements of an agricultural cooperative and (or) members of an agricultural cooperative, the subsidy terms and conditions shall be maintained under the same conditions with no increase in the previously approved amount of subsidies for the period from the date of the decision of the working body (service provider) to approve the proposal in the following cases:

1) in case of transfer of debt under loan agreements of members of an agricultural co-operative to the agricultural co-operative where these persons are members;

2) when transferring debt under loan agreements of an agricultural co-operative to its members;

3) in case of transfer of debt under loan agreements of a member of an agricultural co-operative to another member of the same agricultural co-operative.

Footnote. Chapter 3 as supplemented by paragraph 32-1 as per order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 dated 28.02.2023 (shall enter into force ten calendar days after the date of its first official publication).

32-2. In case of transfer of the debt under the loan agreement of the borrower (service recipient) to the legal successor-agro-industrial complex entity, the terms of subsidies shall be retained under the previous conditions with no increase in the previously approved amount of subsidies for the period from the date of the decision of the working body (service provider) on approval of the proposal.

Footnote. Chapter 3 as supplemented by paragraph 32-2 under order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 from 28.02.2023 (shall be enforced upon expiration of ten calendar days after the day of its first official publication).

32-3. In case of amendments to the data stated in the notification on commencement of activity as an individual entrepreneur, the borrower (service recipient) shall notify the financial institution thereof within 5 (five) business days with filing a copy of the notification on commencement of activity as an individual entrepreneur. Upon receipt of the notification from the borrower (service recipient), within 10 (ten) business days, the financial institution shall form a notification to the working body (service provider) stating the borrower's (service recipient's) IIN and the deadline date under the subsidy schedule for which there are subsidy applications submitted.

On the grounds of the notification received from the financial institution, within 2 (two) business days the working body (service provider) shall form an addendum to the subsidy agreement with regard to the adjustment of the borrower's (service recipient's) data, which

shall be signed by the working body (service provider), the financial institution and the borrower (service recipient).

The addendum shall be the basis for renewal of subsidies.

Upon resumption of subsidies, payment of subsidies by the working body (service provider) shall be made for the period of suspension, including the period of actual accrual of remuneration up to the moment of suspension of subsidies.

Should a financial institution be reorganised, subsidies under previously concluded subsidy agreements shall be paid to the legal successor of the said loan agreements, upon signing the addenda to the subsidy agreements under the terms and conditions set forth herein

Footnote. Chapter 3 as supplemented by paragraph 32-3 as per order of Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 from 28.02.2023 (shall become effective ten calendar days after the date of its first official publication).

33. The working body (service provider), within 3 (three) working days from the date of receipt of a notification from a financial institution on changing the terms of the current loan agreement:

1) checks the compliance of the amended terms of the loan agreement with the conditions of subsidies established by these Rules;

2) in case of compliance of the proposed changes with the requirements of these Rules, makes and draws up a decision on amending the subsidy agreement and notifies the financial institution about it.

34. An additional agreement to the subsidy agreement with an updated subsidy schedule for the borrower (service recipient) is concluded on the basis of the decision of the working body (service provider) between the borrower (service recipient), the financial institution and the working body (service provider), within 5 (five) business days from the date of receipt the financial institution notifies the working body (service provider) of a positive decision to amend the subsidy agreement.

In this case, a change in the subsidy agreement is allowed provided that the change in the corresponding loan agreement was made by a financial institution by agreement with the borrower (service recipient) (not unilaterally).

35. The financial institution, from the day when it became aware of the occurrence of an event that is the basis for unilateral termination of the subsidy agreement by the working body (service provider), notifies the working body (service provider) of such an event within 5 (five) business days.

In the event of an event that is the basis for unilateral termination by the working body (service provider) of the subsidy agreement, concluded in paper form and not translated into electronic format, the corresponding notification is submitted by the financial institution in paper form.

The working body (service provider) within 5 (five) working days from the date of receipt of the notification from the financial institution makes and draws up a decision to terminate the subsidy agreement and notifies the financial institution about it.

The working body (service provider), within 5 (five) working days from the day when it became aware of the occurrence of an event that is the basis for unilateral termination, makes and draws up a decision to terminate the subsidy agreement and notifies the financial institution about it.

The subsidy agreement is considered terminated from the date of receipt by the borrower (service recipient), the financial institution of a notification of the corresponding decision of the working body (service provider).

36. Refusal to provide subsidies to the borrower (service recipient) is carried out on the grounds provided for in paragraph 2 of Article 19-1 of the Law on Public Services.

37. The Service Provider ensures that data is entered into the information system for monitoring the provision of public services on the stage of provision of public services in the manner prescribed by the authorized body in the field of informatization, in accordance with subparagraph 11) of paragraph 2 of Article 5 of the Law on Public Services.

38. The provisions of this chapter, as well as chapters 1 and 2, apply to the relations provided for by chapters 4 and 5 of these Rules.

Chapter 4. Procedure for consideration of proposals in electronic form

39. From the date of receipt of the proposal, the working body (service provider) shall implement the following within 3 (three) business days:

- 1) registering the proposal in the SIS;
- 2) verification of the proposal's eligibility for the subsidy conditions set forth herein, including verification of the loan agreement's conformity with the requirements for a loan agreement pursuant to Annex 2 hereto;
- 3) making and formalising a decision on the proposal and notifying the borrower (service recipient) and the financial institution thereof.

Footnote. Paragraph 39 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 dated 23.12.2022 (shall come into effect on 01.01.2023).

40. The decision of the working body (service provider) is signed by the electronic signature of the first head of the working body (service provider) or a person replacing him.

41. The financial institution shall apply for the subsidy via the e-Government web portal. The electronic government web portal and SIS shall interact under Article 43 of the Law of the Republic of Kazakhstan “On Informatisation”.

The borrower's (service recipient's) and financial institution's personal accounts in the SIS shall be confirmed as a result of information interaction of the SIS with the “Legal Entities” or “Natural Persons” state databases.

The existence of a personal account in the SIS shall enable the borrower (service recipient) and the financial institution to independently register the application in the SIS, in which case the application shall not be filed, and it shall be deemed filed from the moment of such registration.

Footnote. Paragraph 41 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall enter into force on 01.01.2023).

42. To open a personal account in SIS:

- 1) the borrower (service recipient) and the financial institution must have an EDS;
- 2) the working body (service provider) shall annually provide the Ministry of Agriculture of the Republic of Kazakhstan (hereinafter referred to as the Ministry) with updated lists of employees possessing EDS.

Footnote. Paragraph 42 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall take effect on 01.01.2023).

43. The borrower (beneficiary) and the financial institution shall enter the following information for registration when opening personal accounts:

- 1) for natural persons: IIN, surname, first name and patronymic (if any);
- 2) for legal entities: BIN, full name; surname, first name and patronymic (if any) and IIN of the first manager;
- 3) for self-employed persons, including those in the form of a joint venture: IIN or BIN, surname, first name and patronymic (if any);
- 4) contact details (postal address, telephone number, e-mail address);
- 5) second-tier bank current account details.

If the aforementioned data changes, the borrower (service recipient) and the financial institution shall amend the personal account data entered in the Personal Account within 3 (three) working days.

Footnote. Paragraph 43 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be brought into force ten calendar days after the date of its first official publication).

44. Within 2 (two) business days from the date of receipt of the subsidy application, the responsible executive of the working body (service provider) shall:

- 1) confirm the acceptance of the application for subsidy by signing it using EDS;
- 2) following the results of registration of the application for subsidies, generate in the SIS invoices payable for payment of subsidies uploaded to the Treasury-Client Information System for transfer of subsidies to the special bank account of the financial institution.

Footnote. Paragraph 44 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall be effective since 01.01.2023).

45. The SIS may be used subject to certification and positive results of testing of such system for conformity to information security requirements and its provision:

- 1) information interaction with such state databases as Legal Entities, Natural Persons, Real Estate Register, Civil Status Registration System and the e-government web-portal;
- 2) online availability of information on the status of limits on subsidy amounts;
- 3) placement of an announcement in the SIS on suspension of acceptance of applications for subsidies;
- 4) submission of proposals, subsidy applications and notifications signed with EDS via the web portal;
- 5) formation of decisions of the working body (service provider) in electronic form and signing them by EDS;
- 6) conclusion of the subsidy agreement or addendum to the subsidy agreement in electronic form in SIS and signing thereof by EDS;
- 7) forming an invoice for payment of the subsidy to the treasury authorities for transferring the subsidy to the borrower's (service recipient's) bank account).

Footnote. Paragraph 45 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall be put into effect on 01.01.2023); as amended by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall apply ten calendar days after the date of its first official publication).

46. In case of failure of the SIS containing the data required for granting a subsidy, the working body (service provider) shall immediately notify the Ministry of the situation, which shall proceed to its elimination.

Herewith, following the works on elimination of the occurred failure, within 3 (three) business days the Ministry shall draw up a protocol on the technical problem and place it in SIS.

Footnote. Paragraph 46 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall become effective on 01.01.2023).

47. When the application is examined electronically, the activities foreseen in paragraphs 16, 19, 21, 21, 23, 23, 25, 25, 29, 29, 30, 31, 32, 32, 33, 34 and 35 hereof shall be conducted in the SIS.

Footnote. Paragraph 47 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall be put into effect on 01.01.2023).

Chapter 5. Procedure for consideration of proposals in paper form

48. To implement subsidies in paper form, a financial institution or a borrower (service recipient) shall submit the following documents to the State Corporation for transfer to the working body (service provider):

- 1) proposals accompanied by a copy of the loan agreement with repayment schedule;
- 2) a draft updated repayment schedule with calculations of the subsidised or unsubsidised parts of the interest rate (with calculations of the subsidised or unsubsidised parts of the interest rate shall be sent to the working body (to the service provider);

3) loan account statement of the borrower (service recipient) on receiving a loan (for second-tier banks) or a document confirming the transfer of the loan/transfer of the leasing object.

Footnote. Paragraph 48 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 from 28.02.2023 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

49. The working body (service provider) from the date of receipt of the proposal within 3 (three) working days:

1) verification of the compliance of the proposal with the conditions of subsidies established by these Rules, including verification of the compliance of the loan agreement with the requirements for the loan agreement in accordance with Appendix 2 to these Rules;

2) execution of a decision on compliance or non-compliance with the terms of these Rules and notification of this to the borrower (service recipient) and the financial institution.

50. Excluded by Order of the Minister of Agriculture of the Republic of Kazakhstan No. 336 of 19.11.2021 (shall be enforced ten calendar days after the date of its first official publication).

51. Excluded by Order of the Minister of Agriculture of the Republic of Kazakhstan No. 336 of 19.11.2021 (shall be put into effect ten calendar days after the date of its first official publication).

52. The responsible executor of the working body (service provider) within 2 (two) working days from the date of the decision on the refusal to approve the proposal through the State Corporation notifies the financial institution or the borrower (service recipient) in writing.

53. The responsible executor of the working body (service provider), after receiving an application for subsidizing a financial institution, within 3 (three) working days, verifies the compliance of the amount of the application for transferring the borrower's subsidy schedule.

54. The responsible executor of the working body (service provider), within 1 (one) business day after checking the application for subsidies, sends the corresponding invoices for payment to the Treasury authorities.

55. Within 15 (fifteen) business days from the moment of making a decision on the application or changing the terms and conditions of the existing loan agreement (interest rate, terms of interest payment, deferral of principal and/or interest payment), the responsible executive of the working body (service provider) shall enter data on the application into the SIS specifying the name of the borrower, number and date of the loan agreement, loan amount, term of the loan agreement, subsidy period, purpose of the loan, percentage of the subsidised interest rate, total amount of subsidies, amount of interest for the entire term of the loan agreement (total, subsidised one, paid by the borrower), the dynamics of changes in the

principal debt, enclosing in electronic PDF (Portable Document Format) format scanned copies of its decision, signed subsidy agreement and subsidy schedules, sealed by the working body (the service provider).

Footnote. Paragraph 55 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall become effective on 01.01.2023).

56. When considering an application through the State Corporation, the measures provided for in paragraphs 16, 19, 21, 23, 25, 29 - 35 of these Rules are carried out in paper form.

Chapter 6. Final Provisions

57. The Financial Institution shall monthly, by the 20th day of the month following the reporting month, submit to the Damu Entrepreneurship Development Fund Joint Stock Company (hereinafter: Damu EDF JSC) a report on the utilisation of the funds granted under the Lending and Financial Leasing Mechanism for Priority Projects in the form according to Annex 8 hereto.

Footnote. Paragraph 57 – as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

58. Damu EDF JSC quarterly, not later than the 20th day of the second month following the reporting month, shall submit to the Ministry of National Economy of the Republic of Kazakhstan (hereinafter - MNE RK) a report on utilisation of funds issued under the Priority Projects Lending and Finance Leasing Mechanism in the form as per Annex 8 hereto.

Footnote. Paragraph 58 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be put into effect ten calendar days after the date of its first official publication).

59. Excluded by Order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall take effect ten calendar days after the date of its first official publication).

60. Quarterly, by the 20th day of the month following the reporting quarter, and annually (data as of January 1 of the following year) by the 25th of January of the calendar year following the reporting year, the financial institute shall submit to the working body (service provider) a report on the actual use of subsidies in the form as per Annex 10 hereto.

Footnote. Paragraph 60 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall be put into effect ten calendar days after the date of its first official publication).

61. Quarterly, by the 30th day of the month following the reporting quarter, and annually (data as of January 1 of the following year) by the 30th January of the calendar year following the reporting year, the working body (service provider) shall report to the Ministry on the actual use of subsidies in the form as per Annex 10 hereto.

Footnote. Paragraph 61 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

62. Excluded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall come into effect ten calendar days after the date of its first official publication).

Chapter 7. The procedure for appealing decisions, actions (inaction) of the service provider and (or) his officials on the provision of public services

63. A complaint against a decision, action (inaction) of a working authority (service provider) concerning the provision of public services shall be filed to the head of the local executive body of the region, city of republican significance, capital (hereinafter referred to as local executive body), to the competent authority for evaluation and quality control of public services.

Should a complaint be received as per paragraph 4 of Article 91 of the Administrative Procedure Code of the Republic of Kazakhstan (hereinafter - APC RK), the service provider shall forward it to the body considering the complaint within 3 (three) working days from the date of receipt. The working authority (service provider) shall not forward a complaint to the body examining the complaint if a favourable act or administrative action has been taken that fully satisfies the requirements set out in the complaint.

Footnote. Paragraph 63 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be put into effect ten calendar days after the date of its first official publication).

64. A complaint by a borrower (service recipient) under Paragraph 2 of Article 25 of the Law on Public Services shall be considered:

by the local executive body within 5 (five) working days of its registration;

by the authority responsible for assessing and monitoring the quality of public services - within 15 (fifteen) working days of its registration.

In accordance with paragraph 4 of Article 25 of the Law on Public Services, the term of consideration of a complaint by the local executive body, the competent authority for evaluation and quality control of public services shall be extended for up to 10 (ten) working days in cases where it is necessary:

- 1) to undertake a further investigation or review of the complaint or an on-the-spot check;
- 2) to get more information.

Should the deadline for consideration of a complaint be extended, an official responsible for handling complaints shall, within 3 (three) working days of the extension, notify the borrower (service recipient) who has filed the complaint in writing (if filing a paper complaint) or electronically (if filing an electronic complaint) of the extension, indicating the reason for the extension.

Footnote. Paragraph 64 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

65. A complaint about the action (inaction) of employees of the State Corporation when providing services through the State Corporation is submitted to the head of the State Corporation, or to an authorized body in the field of informatization.

66. Unless otherwise provided by law, appeal to a court may be made after a pre-trial appeal under paragraph 5 of Article 91 of the APC of the RK.

Footnote. Paragraph 66 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall come into effect ten calendar days after the date of its first official publication).

Annex 1 to the Rules
for Subsidizing Interest Rates when
Leading to Agro-Industrial Complex
Entities, as well as Leasing for the
Purchase
of Farm Animals, Machinery and
Technological Equipment

List

**of goods for lending and financial leasing for priority projects
in the field of production and (or) processing of agricultural products**

Footnote. Appendix 1 is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

№	Name of the goods group	Name of the general classifier of types of economic activity	General classifier of types of economic activity	List of products and output goods
1	2	3	4	5
				Outdoor cultivation of cereals (except rice) legumes and oilseeds. Cultivation of cereals and legumes, including seed production: Cultivation of grain crops, such as: wheat, corn, sorghum, barley , rye, oats, millet, other grain crops, including for the formation of a seed fund;

1	Cultivation of cereals (except rice), legumes and oilseeds	01.11	<p>cultivation of leguminous crops, such as: haricot beans, beans, chickpeas (chickpeas), lentils, lupines, peas, green peas, other leguminous crops, including for the formation of a seed fund.</p> <p>Cultivation of oilseeds and their seeds:</p> <p>cultivation of oilseeds, such as: soybeans, groundnuts (peanuts), cotton seeds, castor beans, flax, mustard, rapeseed, safflower, sesame, sunflower, other oilseeds, including seed production.</p>
2	Rice cultivation	01.12	Rice cultivation.
3	Cultivation of vegetables, melons, root and tuber crops	01.13	<p>Cultivation of potatoes and planting material.</p> <p>Cultivation of vegetables, their seeds, and seedlings:</p> <p>Cultivation of leafy and cutting vegetables, such as: artichokes, asparagus, cabbage, cauliflower and broccoli, lettuce and chicory, spinach, other leafy and cutting vegetables;</p> <p>cultivation of horticultural crop, such as: cucumbers and gherkins, aubergines, tomatoes, watermelons, melons, including honeydew melons, other types of melons, and horticultural crops;</p> <p>cultivation of root crops, tubers and</p>

	Agriculture			bulbous vegetables such as: carrots, turnips, sweet corn, garlic, onions (including shallots), leeks and other bulbous vegetables, other root and tuber crops; cultivation of mushrooms and truffles; cultivation of other types of vegetables; cultivation of vegetable seeds; Cultivation of sugar beets and their seeds.
4		Cultivation of spinning crops	01.16	Cultivation of raw cotton, flax and other spinning crops.
5		Cultivation of other one- or two-year crops	01.19	Cultivation of forage crops and their seeds: Cultivation of rutabaga, fodder beets, fodder root crops, clover, alfalfa, sainfoin, fodder corn and other grasses, fodder cabbage and similar forage crops; cultivation of buckwheat; cultivation of beetroot seeds (except sugar) and fodder plants.
6		Cultivation of grapes	01.21	Cultivation of grapes.
7		Cultivation of seed and stone fruits	01.24	Cultivation of seed and stone fruits
8		Cultivation of other fruits, berries and nuts	01.25	Cultivation of other fruits, berries and nuts
9		Breeding of other cattle and buffaloes	01.42	Breeding of cattle and buffaloes for meat
10		Breeding of dairy cattle	01.41	Raising and breeding of dairy cattle. Production of raw

				cow's milk and raw milk of other cattle.
11		Breeding of horses and other equine animals	01.43	Raising and breeding of horses
12		Breeding of camels and other animals of the camel family	01.44	Raising and breeding of camels
13		Breeding of sheep and goats	01.45	Breeding of sheep and goats: raising and breeding of sheep and goats; production of raw sheep and goat milk; production of raw (unwashed) wool.
14		Breeding of pigs	01.46	Breeding of pigs
15		Breeding of poultry	01.47	Growing and breeding of poultry. Production of poultry eggs. Mixed meat and egg production. Activities of hatchery and poultry stations.
16		Breeding of other species of animals	01.49	Bee breeding, honey and beeswax production.
17		Mixed farming	01.50	Production of both crop and livestock products: growing crops in combination with livestock raising .
18		Processing and preservation of meat	10.11	Production of fresh, chilled or frozen meat in carcasses/cuts, or cut into parts. Food by-products
19		Processing and preservation of poultry meat	10.12	Slaughter, cutting of carcasses and packaging of poultry meat at poultry slaughterhouses. Production of fresh, chilled or frozen poultry meat, cut into parts.

20	Processing and preservation of meat and production of meat products	Production of meat and poultry products	10.13	<p>Production of dried, salted or smoked meat.</p> <p>Production of meat products: sausages, salami, cold cuts, sausages, cervelat, Bolognese smoked sausage, pates, rolls, boiled ham, meat, and meat-containing (meat-vegetable) canned food</p> <p>Production of meat and meat-containing semi-finished products.</p>
21	Processing and preservation of fish, crustaceans, and molluscs	Processing and preservation of fish, crustaceans and molluscs	10.20	<p>Processing and preservation of fish, crustaceans, and molluscs.</p> <p>Production of fish, crustaceans, and mollusc products.</p> <p>Production of fish products for human consumption or animal feed.</p> <p>Production of flour, powder, and granules from fish and other aquatic species unfit for human consumption.</p> <p>Seaweed processing.</p>
22		Processing and preservation of potatoes	10.31	<p>Potato processing and preservation: production of frozen cooked potatoes, dry mashed potatoes, potato snacks, potato chips, fine and coarse potato flour.</p>
23		Production of fruit and vegetable juices	10.32	<p>Production of fruit and vegetable juices.</p> <p>Production of concentrates and nectars from fresh fruits and vegetables.</p>
				<p>Production of food consisting primarily of fruits or vegetables</p>

24	Processing and preservation of fruits and vegetables	Other types of processing and preservation of fruits and vegetables	10.39	<p>, excluding prepared foods in frozen or canned form.</p> <p>Preservation of fruits, nuts or vegetables: freezing, drying, soaking in oil or vinegar, canning in airtight containers.</p> <p>Production of food products from fruits or vegetables.</p> <p>Production of jams, marmalades and edible jellies.</p> <p>Roasting nuts.</p> <p>Production of paste and other food products from nuts.</p>
25	Production of vegetable and animal oils and fats	Production of oils and fats	10.41	<p>Production of unrefined vegetable oils: soybean, sunflower, cottonseed, rapeseed, mustard, flaxseed, safflower, olive.</p> <p>Production of purified (refined) vegetable oils: soybean, sunflower, cottonseed, rapeseed, mustard, flaxseed, safflower, olive.</p> <p>Processing of vegetable oil: distillation, boiling, dehydration, hydrogenation.</p>
26		Production of margarine and similar edible fats	10.42	<p>Production of margarine.</p> <p>Production of fat mixtures and spreads.</p> <p>Production of combined fats for cooking.</p>
				<p>Production of liquid milk, pasteurized, sterilized, homogenized, and also subjected to other high-temperature processing.</p>

27	Dairy and cheese products	Milk processing and cheese production	10.51	<p>Production of milk-based soft drinks.</p> <p>Production of cream skimmed from raw liquid milk, pasteurized, sterilized, and homogenized.</p> <p>Production of milk powder.</p> <p>Production of milk or cream in solid form.</p> <p>Production of butter.</p> <p>Production of yogurt.</p> <p>Production of cheese and cottage cheese.</p> <p>Production of whey.</p> <p>Production of casein or lactose</p> <p>Production of canned milk.</p>
28		Production of ice cream	10.52	Production of ice cream
29		Production of flour	10.61.1*	<p>Production of fine and coarse flour from wheat, rye, oats, corn, or other grains.</p> <p>Production of rice flour.</p> <p>Production of fine and coarse flour from dried legumes, roots or tubers, or edible nuts.</p> <p>Production of ready-made flour mixtures and dough for baking bread, cakes, pastries, biscuits, or pancakes.</p>
30	Production of flour and cereal products	Production of cereals	10.61.2	<p>Production of cereals from wheat, rye, oats, corn or other grains.</p> <p>Production of shelled, milled, polished, pounded, glazed, and steamed rice.</p>
31		Production of food concentrates	10.61.3	Production of breakfast products from cereals, such as breakfast cereals.

				Production of wheat, rye, oat, corn or other grain flakes.
32		Production of starch and starch products	10.62	Production of starches from rice, potatoes, corn, and so on. Grinding raw corn. Production of glucose and (or) glucose-fructose syrup, sugar syrup, maltose, inulin, and so on. Production of gluten. Production of corn oil .
33		Production of bakery and flour confectionery products of non-durable storage	10.71	Production of bakery products: bread, bakery products, pancakes, flour confectionery products (cakes, pastries, pies, biscuits .)
34	Production of bakery, pasta, and flour confectionery products	Production of crackers and cookies, flour confectionery products for long-term storage	10.72	Production of crackers, cookies, and other dry bakery products. Production of flour confectionery products, cakes, pastries, pies, and biscuits intended for long-term storage. Production of products such as cookies, crackers, pretzels, salty and sweet.
35		Production of pasta products	10.73	Production of pasta and noodles, boiled and unboiled, with and without filling. Production of couscous. Production of canned or frozen pasta products.
36		Production of sugar	10.81	Production of sugar from sugar beets and sugar cane.

37	Production of other food products	Production of cocoa, chocolate and sugar confectionery	10.82	<p>Production of cocoa powder, cocoa butter.</p> <p>Production of chocolate and chocolate candies.</p> <p>Production of sugary confectionery products: caramel, nougat, fudge, white chocolate.</p> <p>Production of candied fruits, nuts, candied fruits.</p> <p>Production of lollipops, dragees, and pastilles.</p>
38		Production of spices and seasonings	10.84	<p>Production of spices, sauces, and seasonings: mayonnaise, mustard flour, and powder, ready-made mustard.</p> <p>Production of vinegar .</p> <p>Production of salt suitable for human consumption, such as iodized salt.</p>
39		Production of other food products	10.89	<p>Production of soups and broths.</p> <p>Production of egg products, egg whites.</p> <p>Production of yeast.</p>
40	Ready-made food products (on an industrial scale)	Production of ready-made food products	10.85	<p>Production of meat or poultry dishes.</p> <p>Production of fish dishes, including minced fish.</p> <p>Production of vegetable dishes.</p> <p>Production of frozen pizza or pizza prepared for storage by other means.</p>
				<p>Production of food products used for specialized nutrition: infant formula; nutritious dairy and other products for infants; baby food; low-calorie and</p>

41	Baby food	Production of baby food and dietary food products	10.86	reduced-calorie foods intended for weight control; reduced-sodium foods, including low-sodium and sodium-free dietary salts; gluten-free products; food products for people performing heavy physical work, especially for athletes ; food products for people suffering from metabolic disorders (diabetes)
42	Production of animal feed	Production of finished feed for farm animals	10.91	Production of feed for cattle, small livestock, horses, poultry, and pigs.
43	Production of soft drinks, mineral waters, and other bottled waters	Production of soft drinks, mineral waters, and other bottled waters	11.07.0*	Production of natural mineral water and other bottled waters. Production of non-alcoholic drinks, flavored and (or) sweetened: lemonade , orangeade, cola, fruit drinks, tonics, and so on.
44	Processing of wool	Preparation of wool fiber	13.10.3	Wool (sheep), washed, degreased, or carbonized, not carded or combed. Wool and animal hair , fine or coarse, carded or combed
45		Spinning wool fiber	13.10.4	Production of yarn from wool for the weaving and clothing industry
46		Production of woollen fabrics	13.20.2	Fabrics made from carded or combed wool or from coarse animal hair or horsehair
47		Production of felting and felt products	13.99.2	Production of felt cloth and fibre felt

48		Tanning and dressing of leather	15.11.1	Leather, tanned and dressed; furs dressed and dyed. Fur skins, tanned or dressed. Suede (including composition suede); patent leather and laminated patent leather; metallized leather. Patent leather and lacquered laminated leather; metallized leather.
49	Production of leather products	Fur dressing and dyeing	15.11.3	Leather from hides of cattle or hides of animals of the equine family without hair. Leather from hides of whole cattle without hair. Leather from hides of animals of the equine family without hair covering. Leather made of sheep, goat, or pig hides without hair. Leather of sheepskins without hair. Leather from goat hides without hair. Leather from hairless pigskin
50	Storage of agricultural products	Warehousing and storage of goods	52.10	Vegetable storage, fruit storage.

* subsidizing the interest rate under loan agreements to replenish working capital necessary for the technological cycle of the production process.

Annex 1-1
to the Rules for Subsidizing
Interest Rates when Leading to
Agro-Industrial Complex Entities,
as well as Leasing for the Purchase
of Farm Animals, Machinery and
Technological Equipment
Document form

Footnote. The Rules have been supplemented by Annex 1-1 as per order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 dated 28.02.2023 (shall be enacted ten calendar days after the date of its first official publication).

Proposal

Financial institution: _____

(name of the financial institution)

Borrower: _____

(surname, first name, patronymic (if any) of a natural person or full name of a legal entity

)

To: _____

(local executive body of the region, city of republican significance, capital city)

1. Details of the participant:

1	Name of the borrower	
2	Surname, first name, patronymic (if any) of the head of the institution	
3	Details of the borrower: for individual entrepreneurs, including joint ventures - individual identification number (hereinafter - IIN) or business identification number (hereinafter - BIN)/ for a legal entity - BIN	
4	Bank details	
5	Contact telephone numbers	

2. Data on loan agreements subject to subsidisation (hereinafter referred to as the LA):

LA (number and date)		
Amount, KZT		
Remuneration rate, per cent		
Principal debt balance at the date of subsidising, KZT		
Date of expiry of the term of validity of the LA		
Lending currency		
Lending/leasing target purpose (purchase of agricultural machinery, including attached and trailed equipment, as well as for the purchase of farm animals, for investment purposes (excluding passenger cars and passenger vehicles), construction (excluding loans for the purchase of fixed assets for the production of flour, mineral water and soft drinks), replenishment of working capital required for the technological cycle of the production process, carrying out spring field and harvesting works (insert the necessary one)		
Funding source		
Four-digit class under GCEA (code according to the general classifier of types of economic activities)		
Subject of loan/leasing, quantity	Country-manufacturer of the leased item	Reference number in the state registration database

This is to confirm that:

1) the loan agreement complies with the requirements for loan agreements established under the Rules for Subsidising Interest Rates for Lending to Agricultural Entities and Leasing for the Purchase of Farm Animals, Machinery and Technological Equipment approved by Order No. 436 of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan on October 26, 2018 (recorded in the Register of State Registration of Regulatory Legal Acts under No. 17741);

2) the target purpose is to acquire agricultural machinery, including mounted and trailed equipment, as well as for the purchase of farm animals, for investment purposes (excluding passenger cars and passenger transport), construction (with the exception of loans for the purchase of fixed assets for the production of flour, mineral water and soft drinks), replenishment of working capital required for the technological cycle of the production process, spring field and harvesting.

Within the Mechanism of Lending and Financial Leasing of Priority Projects approved by Decree of the Government of the Republic of Kazakhstan No. 820 of December 11, 2018 "On Certain Issues of Providing Long-Term Tenge Liquidity to Solve the Problem of Affordable Lending", where the target purpose is investment purposes, replenishment of working capital and carrying out spring field and (or) harvesting works;

3) the borrower's activities are not undergoing a change of organisational and legal form, liquidation or bankruptcy and its activities have not been suspended under the Law of the Republic of Kazakhstan "On Rehabilitation and Bankruptcy" unless financial debt restructuring and accelerated rehabilitation procedures are in progress;

4) the loan agreement is not funded from the national budget and (or) the National Fund of the Republic of Kazakhstan;

5) the borrower has no facts of misuse of funds under the loan agreement;

6) the borrower has no overdue obligations to repay the principal debt and (or) interest under the loan agreement;

7) the interest rate under the loan agreement indicated in the application for subsidies is not subsidised under other state and (or) budget programmes.

Annex: a copy of the loan agreement with repayment schedule.

When submitting a paper proposal:

Surname, first name, patronymic (if any) and signature of the borrower

Surname, first name, patronymic (if any) and signature of the head of the financial institution or authorised person

Date the proposal is signed by the borrower “ ___ ” _____ 20__

Date of signing of the proposal by the financial institution “ ___ ” _____ 20__

When submitting a proposal electronically:

Signed and sent by the applicant at ___ AM/PM “ ___ ” _____ 20__

Data from the electronic digital signature (hereinafter referred to as EDS)

Signed and sent by Financial Institution at _____ AM/PM “ ___ ” _____ 20__

Data from EDS

Notification of acceptance of the proposal:

Accepted by the working body at ___ AM/PM “ ___ ” _____ 20__

Data from EDS

Annex 2
to the Rules for Subsidizing
Interest Rates when Leading to
Agro-Industrial Complex Entities,
as well as Leasing for the
Purchase of Farm
Animals, Machinery and
Technological Equipment

Requirements for a loan agreement

Footnote. Annex 2 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall be effective ten calendar days after the date of its first official publication).

The loan agreement shall conform to the following requirements:

- 1) the received loan/lease is used in the sphere of agro-industrial complex;
- 2) the target purpose is the acquisition of agricultural machinery, including mounted and trailed equipment, as well as for the purchase of farm animals, for investment purposes (with the exception of passenger cars and passenger transport), construction (excluding loans for the purchase of fixed assets for the production of flour, mineral water and soft drinks), replenishment of working capital required for the technological cycle of the production process, carrying out spring field and harvesting operations, and for the purchase of agricultural equipment.

Under the Mechanism of Lending and Financial Leasing of Priority Projects, approved by Decree of the Government of the Republic of Kazakhstan No. 820 dated December 11, 2018, “On Certain Issues of Providing Long-Term Tenge Liquidity to Solve the Problem of Affordable Lending”, the target purpose is investment purposes, replenishment of working capital and carrying out spring field and (or) harvesting works;

3) the source of financing of the loan is not the state budget or the National Fund of the Republic of Kazakhstan;

4) at the time of application submission the loan is effective (has not been cancelled or terminated);

5) remuneration rate is not subsidised under other state and (or) budget programmes of the Republic of Kazakhstan;

6) redemption of shares, stocks of organisations, as well as enterprises as a property complex is prohibited.

Within the framework of subsidising interest rates for lending to agribusiness entities and leasing for the purchase of farm animals, machinery and technological equipment, new, previously unused agricultural machinery and equipment shall be subsidized if registered in the State Registration of Agricultural Machinery Subsystem of the e-Agriculture Unified Automated System for Management of Agroindustrial Complex Sectors Information System.

Annex 2-1 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Document form

Notification of recalculation of subsidy amounts with regard to accrual of subsidy

Footnote. The Rules as supplemented by Annex 2-1 by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

Hereby, _____,
(name of financial institution)

under paragraph 9 of the Rules for Subsidising Interest Rates on Lending to Agricultural Entities and Leasing for the Purchase of Farm Animals, Machinery and Technological Equipment, approved by Order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan, No. 436 of October 26, 2018 (recorded in the Registry of State Registration of Regulatory Acts under No. 17741), requests that subsidies be accrued as from 1 January 20__ /

_____ to (date of loan disbursement)

the date of the subsidy agreement dated " __ " _____ 20__ for the borrower _____

_____ (surname, first name, patronymic (if any) of an individual or full name of a legal entity)

The notification is forwarded for consideration for a decision.

I hereby confirm the accuracy of the provided information, I am aware of the responsibility for the submission of false information in accordance with the legislation of the Republic of Kazakhstan and I give my consent to the use of information that constitutes a legally protected secret, as well as to the collection of processing of personal data.

Repayment schedule

Currency: _____

--	--	--	--	--	--	--	--

Date of repayment	Total repayment amount	Principal repayment amount	Amount of remuneration repayment	Amount of part of the remuneration rate paid by the state (subsidised), KZT*	Amount of part of the interest rate payable by the borrower, KZT	Balance of the principal debt
1	2	3	4	5	6	7

When submitting a notification of recalculation of subsidy amounts in respect of the accrual of the subsidy in paper form:

Head of a financial institution (representative by proxy) or authorised person

(Signature, first name, surname and patronymic (if any))

Date of notification sent by the financial institution "___" _____ 20__.

When submitting a notification of recalculation of subsidy amounts in terms of accrual of the subsidy electronically:

Signed and sent by the Financial Institution at _____ o'clock "___" _____ 20__:

Data from the electronic digital signature (EDS)

Notification of acceptance of notice:

Accepted by the working authority at ___ o'clock "___" _____ 20__:

Data from the EDS

Annex 3 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Document form

(local executive body of the region, city of republican significance, the capital)

Application for subsidies

Footnote. Annex 3 - as worded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall go into effect ten calendar days after the date of its first official publication).

"___" _____ 20__

Hereby, the financial institution _____

under the interest rate subsidy agreements for lending to agribusinesses and leasing for the purchase of farm animals, machinery and technological equipment listed in the table below, confirms that the borrower had no overdue obligations in the previous month, including

payment of interest rates under the loan agreements by the borrowers, and requests that subsidies for the borrowers listed below be paid in the following amounts: KZT _____, for the period from " __ " _____ 20__ to " __ " _____ 20__.

Head of a financial institution (representative by proxy)

(signature, first name, surname and patronymic (if any))

No. s/o	Borrower's name and individual identification number/business identification number	Number and date of the subsidy agreement	Loan agreement number and date	Loan agreement repayment date	Subsidies amount

When submitting a paper application for a subsidy:

Head of a financial institution (representative by proxy) or authorised person

(signature, first name, surname and patronymic (if any))

Date of signature of application by the financial institution " __ " _____ 20__.

When applying for a subsidy electronically:

Signed and sent by the financial institution at ____ o'clock " __ " _____ 20__ :

Data from an electronic digital signature (hereinafter EDS)

Notification of acceptance of application:

Adopted by the working authority at __ o'clock " __ " _____ 20__ :

Data from the EDS

Annex 4
to the Rules for Subsidizing
Interest Rates when Leading to
Agro-Industrial Complex Entities,
as well as Leasing for the Purchase
of Farm Animals, Machinery and
Technological Equipment,

Form

Agreement for subsidizing interest rates

Footnote. Appendix 4 is in the wording of the order of the acting Minister of Agriculture of the Republic of Kazakhstan dated 29.12.2023 No. 472 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

city _____ " __ " _____ 20__

Department of Agriculture _____ region (city), hereinafter referred to as the "Working body", represented by _____, acting on the basis of power of attorney No. _____ dated _____ 20__, on the one hand, _____, hereinafter referred to as the "Borrower", represented by _____

_____, acting on the basis of _____ on the other hand, and _____, hereinafter referred to as the “Financial institution”, represented by _____, acting on the basis of _____, on the third party, hereinafter collectively referred to as the “Parties”, and separately as the “Party”, have entered into this agreement for subsidizing interest rates (hereinafter - the subsidy agreement) about the following.

Chapter 1. Terms and definitions

1. This subsidy agreement uses the concepts specified in the Rules for subsidizing interest rates when lending to entities of the agro-industrial complex, as well as leasing for the purchase of farm animals, machinery, and technological equipment, approved by order of the Deputy Prime-Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan dated 26 October 2018 No. 436 (registered in the Register of state registration of regulatory legal acts No. 17741) (hereinafter - the Rules for subsidizing).

Chapter 2. Subject of the agreement

2. Under this subsidy agreement, the Working body shall undertake, under the conditions specified in the agreement, to subsidize, with the support of the Financial Institute, the Borrower’s costs of paying the interest rate under a specific loan agreement within the limits of the amounts of money allocated under the relevant budget program, in accordance with the Borrower’s subsidy schedule (as per the decision of the Working body) (hereinafter -the subsidy schedule) in the form according to Appendix to this agreement.

Chapter 3. Rights and obligations of the parties

3. The working body shall undertake to:

1) consider within 2 (two) working days from the date of receipt of an application for subsidies from the Financial Institute;

2) check its compliance with the conditions for receiving subsidies provided for in the Subsidy Rules and check the amount of the application for subsidies to the Borrowers’ subsidy schedules in accordance with the subsidy agreement;

3) according to the application for subsidies, transfer monthly in advance to a special bank account of the Financial Institute the subsidized part of the interest rate in the month preceding the month in which the next payment of subsidies is made;

4) if the application for subsidies meets the requirements of the Subsidy Rules, generate and send invoices for payment to the treasury authorities to transfer subsidies to the bank account of the Financial Institute;

5) in case of inconsistency of the application for subsidies, inform the Financial Institute about the refusal to issue subsidies.

4. The financial institution shall undertake to:

1) monthly form and send to the Working body an application for subsidies;

2) in case of delay by the Borrower in terms of repayment of the principal debt and remuneration and other events specified in the Subsidy Rules, inform the Working body about this within 5 (five) working days from the moment of discovery of the events;

3) in case of a change in the conditions of the current loan agreement (interest rate, including a change in the rate when replacing own or borrowed funds with budgetary funds and when replacing budgetary funds with own and (or) borrowed funds in accordance with the basic conditions for providing a budgetary loan to the joint-stock company "Agrarian credit corporation", established by the decision of the central authorized body for budget execution in accordance with paragraph 2 of Article 180 of the Budget Code of the Republic of Kazakhstan, the deadlines of the payment of remuneration, the provision of a deferral in the payment of the principal debt and (or) remuneration) send a notification to the Working body with a copy of the decision made to change the conditions. financing, updated schedule for repayment of the principal debt, remuneration, and volume of subsidies;

4) check the intended use (including the completeness of use) of a loan received from a financial institution;

5) check the borrower's compliance with the terms of the loan agreement, including the full disbursement and intended use of loan funds under the loan agreement;

6) notify the working body (service provider) about cases of non-compliance by the borrower with the terms of the loan agreement.

5. The borrower shall undertake to:

1) comply with the subsidy conditions established by the Subsidy Rules;

2) prevent subsidizing the interest rate under a loan agreement under other state and budget programs;

3) fully use the loan funds received under the loan agreement in accordance with the terms of the loan agreement;

4) in case of incomplete or inappropriate use of credit funds under the loan agreement, return the paid subsidies in proportion to the amount of incomplete or inappropriate use of credit funds under the loan agreement.

Chapter 4. Liability of the parties

6. The parties to this agreement shall be liable for non-fulfillment and (or) improper fulfillment of obligations arising from this subsidy agreement, in accordance with this subsidy agreement and the laws of the Republic of Kazakhstan.

Chapter 5. Force majeure circumstances

7. The parties shall be released from liability for non-fulfillment or improper fulfillment of their obligations under this subsidy agreement if the impossibility of fulfillment was a consequence of force majeure circumstances.

8. If force majeure circumstances occur, the Party for which it is impossible to fulfill its obligations under this subsidy agreement must promptly notify the other Party about such circumstances within 10 (ten) working days from the date of their occurrence. At the same time, the nature, period of validity, and the fact of the occurrence of force majeure circumstances must be confirmed by relevant documents of authorized state bodies.

9. In the absence of timely notification, the Party shall be obliged to compensate the other Party for damage caused by failure to notify or untimely notification.

10. The occurrence of force majeure circumstances entails an increase in the period of execution of this agreement for the period of their validity.

11. If such circumstances continue for more than 3 (three) months in a row, then either Party shall have the right to refuse further fulfillment of obligations under this subsidy agreement.

Chapter 6. Final provisions

12. Correspondence shall be considered duly submitted or sent when it is properly executed (correspondence shall be considered duly executed when it is presented on letterhead or sealed (if any), signed by the head and has a registration number, date), handed over in person, delivered by mail (by registered mail with notification) or by courier to the address of the participating Party.

13. The working body shall carry out unilateral termination of the subsidy agreement in the following cases:

- 1) the presence in the agreement of unfulfilled obligations by the borrower to repay the principal debt and (or) remuneration for more than 90 (ninety) calendar days;
- 2) misuse of funds under the loan agreement;
- 3) seizure of the borrower's accounts by a court decision that has entered into legal force;
- 4) a written application in any form of the borrower about refusal to receive subsidies;
- 5) full repayment by the borrower of obligations to the financial institution under the loan agreement;
- 6) cancellation or termination of the loan agreement, except for the case specified in part five of paragraph 20-1 of the Subsidy Rules.

14. The parties must make every effort to resolve, through direct negotiations, all disagreements or disputes arising between them under the agreement or in connection with it. If, after such negotiations, the Parties cannot resolve the dispute under the subsidy agreement, either Party may demand that this issue be resolved in court, established by the civil procedural legislation of the Republic of Kazakhstan.

15. This subsidy agreement shall come into force from the date of signing by authorized representatives of all Parties and be valid until the end of the loan agreement in accordance with the subsidy schedule.

16. To the extent not regulated by the agreement, the Parties resolve disputes in court.

17. This agreement is drawn up in 6 (six) copies in the state and Russian languages, having equal legal force, 2 (two) copies, one in the state and Russian languages for each of the Parties.

18. The appendix to this subsidy agreement is an integral part of it.

19. Addresses, bank details, signatures of the Parties:

Working body:	Borrower:	Financial institution:
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Appendix
to the agreement for subsidizing
interest rates

Form

The schedule for subsidizing the borrower's (according to the decision of the Working body)

No. ___ dated “___” _____ 20___

Borrower's name: _____

Number, date of conclusion: _____

Target purpose of loan/leasing: _____

Amount of the loan agreement, tenge: _____

Amount of the loan agreement: currency: tenge,

KZT _____

Principal repayment term under the loan agreement: _____

Remuneration rate, % Total: _____

Subsidized one: _____

Paid by the borrower: _____

Amount of interest for the entire term of the loan agreement, tenge

General: _____

Subsidized one: _____

Paid by the borrower: _____

Year	Month	Repayment period of the interest rate according to the loan agreement schedule	Total amount of interest, tenge	Amount of part of the interest rate paid by the state (subsidized), tenge	Amount of part of the interest rate paid by the borrower, tenge
Итого					

Working body _____

List of basic requirements for rendering the public service “Subsidising Interest Rates for Lending to Agro-Industrial Complex Entities, as well as Leasing for Acquisition of Farm Animals, Machinery and Technological Equipment”

Footnote. Annex 5 - as reworded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 438 of 23.12.2022 (shall take effect on 01.01.2023).

1	Name of the service provider	Local executive bodies of oblasts, the cities of Astana, Almaty and Shymkent (hereinafter referred to as the service provider).
2	Ways of rendering the public service	Acceptance of applications and issuance of the results of public service provision shall be performed via the e-government web portal www.egov.kz (hereinafter referred to as the portal) or the Government for Citizens State Corporation Non-Commercial Joint-Stock Company (hereinafter referred to as the State Corporation).
3	Term of rendering the public service	from the moment of filing the package of documents: on the portal - 10 (ten) business days ; to the State Corporation - 15 (fifteen) business days.
4	Form of public service provision	Electronic (partially automated)/ paper.
5	Result of rendering a public service	Notification on transfer of subsidy in the form as per Annex 6 to the Rules for Subsidising Interest Rates for Lending to Agro-Industrial Complex Entities, as well as Leasing for Acquisition of Farm Animals, Machinery and Technological Equipment, approved by order of the Deputy Prime Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan No. 436 of October 26, 2018 (recorded in the Register of State Registration of Regulatory Legal Acts under No. 17741) (hereinafter - the Rules), or a

		<p>notification of refusal to provide a public service in the form as per Annex 7 hereto.</p> <p>The form of presentation of the result of rendering of the state service - electronic one and hard copy.</p>
6	The amount of payment charged from the service recipient when rendering a public service and methods of its collection in cases envisaged by the laws of the Republic of Kazakhstan	Free of charge.
7	Work schedule of the service provider, the State Corporation and information objects	<p>1) of the portal - round the clock, excluding technical breaks related to repair works (in case of service recipient's application after business hours, on weekends and public holidays under the labour legislation of the Republic of Kazakhstan, applications shall be accepted and the results of the state service shall be issued on the following business day);</p> <p>2) State Corporation - from Monday to Saturday inclusive, as per the work schedule from 9.00 AM to 8.00 PM without lunch break, with the exclusion of weekends and public holidays under the labour legislation of the Republic of Kazakhstan.</p> <p>The public service shall be rendered in the order of electronic queue, at the borrower's (service recipient's) location (legal address) without accelerated service, it is possible to book an electronic queue via portal;</p> <p>3) of the service provider - from Monday to Friday inclusive from 9.00 AM to 5.30 PM, with a lunch break from 1.00 PM to 2.30 PM, excluding weekends and holidays under the labour legislation of the Republic of Kazakhstan.</p> <p>The addresses of rendering the public service shall be available on:</p> <p>1) the Internet resource of the respective service provider;</p> <p>2) the Internet resource of the Ministry of Agriculture of the Republic of Kazakhstan: www.gov.kz, section "Public Services".</p>

8	List of documents and data required from the service recipient for rendering the public service	<p>for the portal: a proposal in the form as per Annex 1 hereto in the form of an electronic document certified by an electronic digital signature of the Borrower (service recipient) and the financial institution.</p> <p>Acceptance of the offer shall be confirmed by the corresponding status in the borrower's (service recipient's) personal profile in the subsidy information system on the acceptance of the request for rendering a public service; to the State Corporation (if the representative applies by power of attorney, for a legal entity – by a document confirming the powers, for a natural person – by a notarised power of attorney or other document confirming his/her powers):</p> <ol style="list-style-type: none"> 1) proposals in the form pursuant to Annex 1 hereto, accompanied by a copy of the loan agreement with the repayment schedule. 2) a draft of the updated repayment schedule with calculations of the subsidised or unsubsidised parts of the interest rate (with calculations of the subsidised or unsubsidised parts of the rate shall be sent to the working body (to the service provider); 3) a statement from the borrower's (service recipient's) loan account on receiving a loan (for second-tier banks) or a document confirming the transfer of the loan/transfer of the leasing object.
9	Grounds for refusal to render a public service established by the laws of the Republic of Kazakhstan	<ol style="list-style-type: none"> 1) determination of inaccuracy of documents filed by the Borrower (service recipient) to obtain a public service, and (or) data (information) contained in them; 2) failure of the borrower (service recipient) and (or) the submitted materials, objects, data and information required for the delivery of public services to satisfy the requirements established under the Rules.
		The Borrower (service recipient) may receive a public service in

10	Other requirements with regard to the peculiarities of the delivery of public services, including those offered in electronic form and via the State Corporation.	<p>electronic form via the portal providing he/she has an electronic digital signature.</p> <p>The borrower (service recipient) has the possibility to receive information on the procedure of rendering a public service in the remote access mode via a "personal account" on the portal, or via the unified contact centre.</p> <p>Contact telephone numbers of reference services for the delivery of the public service are specified on the portal. Unified contact centre: 1414, 8 800 080 7777.</p> <p>Within three business days from the date of amendment of the Rules, the Ministry of Agriculture of the Republic of Kazakhstan and service providers shall update the details of the procedure of rendering the state service and send to the Unified Contact Centre the information on the procedure of rendering the public service.</p>
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Annex 6 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Notification of subsidy transfer

Footnote. Annex 6 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enacted ten calendar days after the date of its first official publication).

Dear _____

(Name of the legal person or surname, first name, patronymic (if any) individual)

We hereby notify you of the provision of a public service under the subsidy agreement Interest rates No. _____ dated "___" _____ 20__ as part of the application No. _____ of "___" _____ 20__, submitted by

—
(name of financial institution)

Subsidy amount of _____ transferred to the account of the financial institution.

Attachment 7
to the Subsidization Rules
interest rates at lending to entities

agro-industrial complex, as well as leasing
for purchase farm animals, machinery
and technological equipment
The form

Notification of refusal to provide public services

Dear _____

(name of the borrower)

According to your application No. _____ dated "___" _____ 20___ in the
provision of
public service was denied due to:

_____.

Annex 7-1 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Document form

Notification of inclusion of the offer in the reserve (waiting list)

Footnote. The Rules as supplemented by Annex 7-1 by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall be enforced ten calendar days after the date of its first official publication).

Hereby, _____

notifies (the local executive body of the region, city of republican significance city, the capital)

(the name of the borrowing legal entity or the surname, first name and patronymic
(if any) of the borrowing individual)

and _____

for inclusion of your offer to ("name of financial institution") reserve (waiting list)
as per queue No. _____ dated "___" 20___.

When submitting a paper proposal:

Document originator _____

(surname, first name and patronymic (if any), telephone number)

_____ (signature)

The head or person acting in his/her official capacity

(surname, first name and patronymic (if any) _____ (signature)

Date of sending the notice " ____ " _____ 20 ____.

When submitting an offer electronically:

Data from the electronic digital signature (EDS)

Signed and sent at ____ o'clock " ____ " _____ 20 ____:

Data from the EDS

Annex 7-2
to the Rules for Subsidising
Interest Rates when Leading to
Agro-Industrial Complex Entities,
as well as Leasing for the Purchase of
Farm
Animals, Machinery and
Technological Equipment
Document form

Footnote. The Rules have been supplemented by Annex 7-2 under order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall become effective ten calendar days after the date of its first official publication).

Notification on temporary suspension of subsidies

We, _____ hereby notify

(name of the financial institution)

the working body for the allocation of grant funds _____

_____ and requests
suspension of the subsidy under the subsidy agreement

No. _____ of _____ 20____ until the heir inherits due to the borrower's death/
declaration of the borrower as deceased

_____, who is the subsidy recipient.

Signature/electronic digital signature

Date

Annex 8 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Document form

Form designed to collect administrative data

Submitted to: Damu Entrepreneurship Development Fund Joint Stock Company and the
Ministry of National Economy of the Republic of Kazakhstan

The administrative data form is available on the website: www.gov.kz

Report on disbursement of funds under the Priority Project Loan and Finance Leasing Mechanism

Footnote. Annex 8 - as reworded by Order No. 336 of the Minister of Agriculture of the Republic of Kazakhstan dated 19.11.2021 (shall come into effect ten calendar days after the date of its first official publication).

Administrative data form index: Form No. 1-OS

Frequency: monthly, quarterly

Reporting period: _____(month/quarter) 20__

Range of persons submitting information: financial institutions, Damu Entrepreneurship Development Fund Joint Stock Company

Deadline for submission of the administrative data form:

to Damu Entrepreneurship Development Fund Joint Stock Company on a monthly basis, not later than the twentieth of the month following the reporting month, during the term of the Priority Projects Lending and Financial Leasing Mechanism approved by Decree No. 820 of the Government of Kazakhstan dated December 11, 2018 “On Certain Issues of Long Term Tenge Liquidity to Address Affordable Lending” (hereinafter referred to as the Priority Project Loan and Finance Leasing Mechanism);

to the Ministry of National Economy of the Republic of Kazakhstan on a quarterly basis, not later than the twentieth day of the second month following the reporting quarter, during the term of the Priority Project Loan and Finance Leasing Mechanism.

No. s/o	Financial Institution	Region	Name or surname, first name, patronymic (if any) of the borrower by region of the Republic of Kazakhstan	Business entity	Date of issue of the loan/ financial lease	Loan/ finance lease term, months	Loan/ finance lease amount	Amount of loan/ finance lease approved using the Priority Project Loan and Finance Leasing Mechanism funds
1	2	3	4	5	6	7	8	9

continuation of the table

Amount of loan/ financial lease approved with funds from a financial institution	Amount of actual disbursement	Amount actually disbursed from the Priority Project Loan and Finance Leasing Mechanism	Amount of actual disbursement at the expense of the financial institution	Grace period for principal repayment	Remuneration on grace period	Loan/ finance lease interest rate	Effective interest rate on the loan/finance lease	Object of the loan/ financial lease
10	11	12	13	14	15	16	17	18

continuation of the table

Intended use of the borrowed funds (specifying the name and amount of each borrowing)	Place of implementation (district, city)	Section on the Common Classification of Economic Activities (hereinafter referred to as "CCEA")	Four-digit CCEA class	Number of new jobs created by the project	Decision number of the competent authority of the financial institution	Date of the decision of the competent authority of the financial institution	Planned amount of tax payments per year (at maximum design capacity) , million tenge (based on business plan)	Planned revenue per year (at maximum design capacity) , million tenge (based on business plan)	Loan Agreement/ Credit Line Agreement Number	Date of Loan Agreement/ Credit Line Agreement	Borrower's Individual Identification Number / Business Identification Number
19	20	21	22	23	24	25	26	27	28	29	30

continuation of the table

Participation in the Roadmap for Business 2025 State Programme for Business Support and Development (yes/no)	Direction under the Priority Project Loan and Finance Leasing Mechanism	Category of business entity (small business entity/ medium-sized business entity/ large business entity)	Compliance of the agribusiness sector with the conditions of the Business Roadmap 2025 State Programme for Business Support and Development / Lending and Financial Leasing Mechanisms for Priority Projects (compliant / not compliant)	Compliance of the agribusiness entity's project with the conditions of the Business Roadmap 2025 State Programme for Business Support and Development / Lending and Financial Leasing Mechanisms for Priority Projects (compliant / non-compliant)
31	32	33	34	35

Name _____

Address _____

Contact details _____

E-mail address _____

Document originator _____

(surname, first name and patronymic (if any), signature)

The head or person acting in his/her official capacity

(surname, first name and patronymic (if any), signature)

Stamp here (except for persons who are self-employed)

Date of report " ____ " _____ 20 ____

Clarification for completing the Form designed to collect administrative data

“Report on Disbursement of Funds Issued under the Priority Projects Loan and Finance Leasing Mechanism” Chapter 1: General provisions

1. This explanation specifies uniform requirements for completing the form designed to collect administrative data “Report on Disbursement of Funds Issued under the Priority Projects Loan and Finance Leasing Mechanism” (hereinafter referred to as the Form).

2. The form shall be filled in by the financial institutions, Damu Entrepreneurship Development Fund Joint Stock Company.

3. The form shall be signed by the document originator and the head or person acting in his/her official capacity.

4. The form shall be provided by:

by financial institutions to the Damu Entrepreneurship Development Fund Joint Stock Company on a monthly basis, by the twentieth of the month following the reporting month, for the duration of the Priority Projects Loan and Finance Leasing Mechanism;

Damu Entrepreneurship Development Fund Joint Stock Company to the Ministry of National Economy of the Republic of Kazakhstan on a quarterly basis, not later than the twentieth of the second month following the reporting quarter, during the term of the Priority Project Loan and Finance Leasing Mechanism.

5. Form shall be completed in Kazakh or Russian.

Chapter 2. Clarification for completing the Form

6. Column 1 shall indicate the sequential number.

7. The name of the financial institution shall be indicated in column 2.

8. Column 3 shall specify the region.

9. Column 4 shall show the name of the borrower broken down by region of the Republic of Kazakhstan.

10. Column 5 shall indicate the legal form of the legal entity being an entrepreneur, and for natural persons being an entrepreneur - individual entrepreneur/ peasant (farming) enterprise.

11. Column 6 shall include the date of issue of the loan/financial lease.

12. Column 7 shall contain the term of the loan/financial lease.

13. Column 8 shall show the amount of the loan/financial lease.

14. Columns 9 and 10 shall indicate the amount of the loan/financial lease approved with funds from the Priority Project Loan and Finance Leasing Facility, Financial Institution.

15. Column 11 shall contain the amount of the actual disbursement.

16. Columns 12 and 13 shall specify the amount actually disbursed from the Priority Project Loan and Finance Leasing Facility, Financial Institution.
17. Columns 14 and 15 shall provide the grace period for repayment of principal and remuneration.
18. Columns 16 and 17 shall specify the loan/finance lease interest rate and the effective loan/finance lease rate.
19. Column 18 shall include the object of the loan/financial lease.
20. The intended use of the borrowed funds (indicating the name and amount of each borrowing destination) shall be stated in column 19).
21. Column 20 shall indicate the place of disbursement (district, town or city).
22. Column 21 shall include the section on the general classifier of economic activities.
23. Column 22 shall indicate the four-digit class according to the common classifier of economic activities.
24. Column 23 shall show the number of new jobs created as a result of the project.
25. Columns 24 and 25 shall specify the number and date of the decision of the competent authority of the financial institution.
26. Column 26 shall indicate the planned amount of tax payments per year (when reaching the maximum design capacity), million tenge (based on the business plan).
27. Column 27 shall contain the planned amount of revenue per year (when reaching maximum design capacity), million tenge (based on the business plan).
28. Columns 28 and 29 shall provide the number and date of the loan/credit line agreement.
29. Column 30 shall include the borrower's individual identification number/business identification number.
30. Column 31 shall include information on participation in the Business Road Map-2025 State Business Support and Development Programme approved by Decree No. 968 of the Government of the Republic of Kazakhstan dated December 24, 2019 (hereinafter, the State Business Road Map-2025 Programme).
31. Column 32 shall indicate the direction under the Priority Project Loan and Finance Leasing Mechanism.
32. Column 33 shall specify the category of the business entity (small/medium-sized business entity/large business entity).
33. Column 34 shall show compliance/non-compliance of the agribusiness entity with the conditions of the Business Roadmap 2025 State Business Support and Development Programme / Priority Projects Lending and Finance Leasing Mechanism.
34. Column 35 shall specify the compliance/non-compliance of the agribusiness entity's project with the conditions of the Business Roadmap 2025 State Business Support and Development Programme / Priority Project Lending and Finance Leasing Mechanism.

for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Document form

Form designed to collect administrative data

Footnote. Appendix 9 is excluded by order of the Acting Minister of Agriculture of the Republic of Kazakhstan No. 77 of 28.02.2023 (shall become effective ten calendar days after the date of its first official publication).

Annex 10 to the Rules
for the Subsidising of Interest
Rates at Crediting of Agricultural
Entities, as well as Leasing for Purchase
of Agricultural Animals, Machinery and
Technological Equipment

Form

Form designed to collect administrative data

Submitted to: the structural unit of the local executive body of the region, city of republican significance and the capital, implementing functions in the field of agriculture, and to the Ministry of Agriculture of the Republic of Kazakhstan

The administrative data form is posted on the Internet resource: www.gov.kz

Report on the actual use of subsidies

Footnote. Appendix 10 is in the wording of the order of the Minister of Agriculture of the Republic of Kazakhstan dated 29.11.2023 No. 410 (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Index of administrative data form: form No. 3-FIS

Frequency: quarterly, annually

Reporting period: ___ quarter 20___, 20___

Range of persons submitting information: financial institutions, structural subdivision of the local executive body of the region, city of republican significance and the capital, implementing functions in the field of agriculture

Deadline for submitting administrative data form:

to the structural subdivision of the local executive body of the region, city of republican significance, and the capital, implementing functions in the field of agriculture, quarterly, before the twentieth day of the month following the reporting quarter, and annually, until the twenty-fifth of January of the calendar year;

to the Ministry of Agriculture of the Republic of Kazakhstan quarterly, before the thirtieth day of the month following the reporting quarter, and annually, until the thirtieth January of the calendar year.

	Name of the borrower	Individual identification number/business identification number	Name of the financial institution	Targeted purpose of the loan agreement*	Direction (Economics of simple things, Employment roadmap, Agro-industrial complex)	Code for the general classifier of types of economic activity (GCEA)	Number and date of the loan agreement	Amount of the loan agreement, tenge	Total interest rate, %	Subsidized interest rate, %	Amount of subsidies for the entire term of the loan agreement, thousand tenge
1	2	3	4	5	6	7	8	9	10	11	12
Total:											

Continuation of the table:

In total, subsidies were transferred, tenge		by the working body to the financial institution		by the financial institution to the borrower		Deviation (+, -) (+) overpayment, (-) shortfall, tenge	Refund of unused subsidies, tenge		The balance of the subsidy funds held in the special account of the financial institution, tenge
Total	including, for the reporting period	Total	including, for the reporting period	Total (column 13 - column 15)	including, for the reporting period (column 14 - column 16)	Total	including, for the reporting period	Total (column 17 - column 19),	
13	14	15	16	17	18	19	20	21	

*The targeted purpose of the loan agreement is indicated in accordance with paragraph 4 of the Rules for subsidizing interest rates when lending to entities of the agro-industrial complex, as well as leasing for the purchase of farm animals, machinery and technological equipment”, approved by order of the Deputy Prime-Minister of the Republic of Kazakhstan - Minister of Agriculture of the Republic of Kazakhstan dated October 26, 2018 No. 436 (registered in the Register of state registration of regulatory legal acts No. 17741).

Name _____

Address _____

Telephone _____

E-mail address _____

Performer _____

(surname, name and patronymic (if any), signature)

Head or person performing his/her duties

(surname, name and patronymic (if any), signature)

Place for seal (except for the persons who are subjects of private entrepreneurship)

Report submission date “ ____ ” _____ 20 ____

Explanation for filling out the form intended for collecting administrative data “Report on the actual use of subsidies” Chapter 1. General provisions

1. This explanation defines unified requirements for filling out the form intended for collecting administrative data “Report on the actual use of subsidies” (hereinafter - the Form).

2. The form shall be filled out by financial institutions, a structural subdivision of the local executive body of the region, city of republican significance, and the capital, implementing functions in the field of agriculture.

3. The form shall be signed by the performer and the head, or the person performing his/her duties.

4. The form shall be provided:

by financial institutions to the structural subdivision of the local executive body of the region, city of republican significance, and the capital, implementing functions in the field of agriculture (hereinafter - the working body), quarterly, before the twentieth day of the month following the reporting quarter, and annually, until the twenty-fifth of January of the calendar year, following the reporting year;

by the working body to the Ministry of Agriculture of the Republic of Kazakhstan quarterly, before the thirtieth day of the month following the reporting quarter, and annually, until the thirtieth January of the calendar year following the reporting year.

5. The form must be filled out in Kazakh or Russian.

Chapter 2. Explanation for filling out the Form

6. Column 1 indicates the serial number.

7. Column 2 indicates the name of the borrower.

8. Column 3 indicates the individual identification number/business identification number of the borrower.

9. Column 4 indicates the name of the financial institution.

10. Column 5 indicates the targeted purpose of the loan agreement.

11. Column 6 indicates the direction (Economy of simple things, Employment Roadmap, Agro-industrial complex).

12. Column 7 indicates the code according to the General Classifier of Types of Economic Activities (GCEA).

13. Column 8 indicates the number and date of the loan agreement.

14. Column 9 indicates the amount of the loan agreement.

15. Column 10 indicates the total interest rate.

16. Column 11 indicates the subsidized interest rate.

17. Column 12 indicates the amount of subsidies for the entire term of the loan agreement.

18. Columns 13 and 14 indicate the amounts of subsidies transferred for the entire period by the working body to the financial institution, including for the reporting period.

19. Columns 15 and 16 indicate the amounts of subsidies transferred for the entire period by the financial institution to the borrower, including for the reporting period.

20. Columns 17 and 18 indicate deviations (overpayment, deficiency) for the entire period , including the reporting period.

21. Columns 19 and 20 indicate the amount of return of unused subsidies to the working body, including for the reporting period.

22. Column 21 indicates the balance of subsidies held in a special account of the financial institution.