



On approval of the Rules and conditions for entering into an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan, as well as grounds for its modification and termination, and its standard form

Invalidated Unofficial translation

Order № 491 of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan as of September 22, 2020. Registered with the Ministry of Justice of the Republic of Kazakhstan on September 22, 2020 under № 21241. Abolished by Order of the Acting Minister of Industry and Infrastructure Development of the Republic of Kazakhstan No. 304 dated May 30, 2022

Unofficial translation

Footnote. Abolished by Order of the Acting Minister of Industry and Infrastructure Development of the Republic of Kazakhstan No. 304 dated May 30, 2022 (effective sixty calendar days after the date of its first official publication).

In accordance with subparagraph 24-10) of paragraph 2 of Article 100 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015, **I hereby ORDER:**

1. To approve:
 - 1) the Rules and conditions for entering into an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan, as well grounds for its modification and termination in accordance with Appendix 1 to this order;
 - 2) the standard form of an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan in accordance with Appendix 2 to this order.
2. The Committee for Industrial Development and Industrial Safety of the Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan shall ensure:
 - 1) state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;
 - 2) placement of this order on the website of the Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan;

3. Control over the execution of this order shall be entrusted to the supervising vice-minister of industry and infrastructure development of the Republic of Kazakhstan

4. This order comes into effect on the day of its first official publication.

*Minister of Industry and Infrastructure Development of
the Republic of Kazakhstan*

B.Atamkulov

"AGREED"

Ministry of Trade and Integration of
the Republic of Kazakhstan

"AGREED"

Ministry of Ecology, Geology and
Natural Resources of the Republic of Kazakhstan

Appendix 1
to Order № 491 of the Minister of
Industry and Infrastructure
Development of
the Republic of Kazakhstan
as of September 22, 2020

Rules and conditions for entering into an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan , as well grounds for its modification and termination

Chapter 1. General Provisions

1. These Rules and conditions for entering into an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan, as well as grounds for its modification and termination (hereinafter referred to as the Rules) are developed in accordance with subparagraph 24 -10) of paragraph 2 Article 100 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015 and establish the procedure and conditions for entering into an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan, as well as grounds for its modification and termination.

2. The following terms are used in these Rules:

1) vehicle - a device, including a technically complex product, intended for the transportation of people, goods or equipment installed on it, except for agricultural machinery;

2) agricultural machinery - a technical device, including a technically complex product, designed to increase labor productivity in agriculture by mechanizing and automating individual operations or technological processes;

3) component of a vehicle - an integral part of a vehicle's structure, part, assembly unit, component, material, chemical, paint and varnish products and other components required for the production of a vehicle;

4) component of agricultural machinery - an integral part of the structure of agricultural machinery, part, assembly unit, component, material, chemical, paint and varnish products and other components required for the production of agricultural machinery;

5) industrial assembly of components of vehicles and (or) agricultural machinery - a system of serial production of components of vehicles and (or) agricultural machinery, including the performance of technological operations by the manufacturer of components of vehicles and (or) agricultural machinery and his meeting the requirements for the production of components of vehicles and (or) agricultural machinery established by Appendix 1 to these Rules (hereinafter referred to as technological operations and requirements);

6) an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan (hereinafter referred to as the agreement) - a civil contract entered into by the authorized body for state support of industrial activities (hereinafter referred to as the authorized body) and a legal entity of the Republic of Kazakhstan engaged in the production of components of vehicles and (or) agricultural machinery (hereinafter referred to as the manufacturer) in accordance with civil legislation, international treaties ratified by the Republic of Kazakhstan and these Rules.

3. An agreement is concluded with the manufacturer for each type of a component of a vehicle and (or) agricultural machinery for 20 years on the basis of the standard form of such an agreement, in accordance with Appendix 2 to this order.

Chapter 2. Procedure and conditions for entering into the agreement

4. The agreement is concluded with the manufacturer provided that the latter:

1) has production facilities or a plan, drawn up in an arbitrary form, for the commissioning of production facilities required to produce components of vehicles and (or) agricultural machinery in the amount of at least 10 thousand monthly calculation indices (hereinafter referred to as MCI) per year;

2) performs technological operations and meets requirements.

5. To enter into the agreement, the manufacturer sends to the authorized body a written application in any form, indicating the list of required state support measures, including measures provided to stimulate production and support investment activities by state bodies responsible for their provision in accordance with the appendix to the standard form of the agreement approved by this order.

The application shall be submitted together with such documents as:

1) a draft schedule for the performance of the agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan in two copies, in the national and Russian languages in accordance with the form in Appendix 2 to these Rules (hereinafter referred to as the schedule), which is drawn up with account of technological operations;

2) information on the availability of production facilities required for the production of components of vehicles and (or) agricultural machinery in the amount of at least 10 thousand MCI per year at the time of entering into the agreement - in relation to existing production facilities; or a plan for the commissioning of production facilities - in relation to planned production, which shall be certified by the chief executive officer of the manufacturer or another authorized person;

6. The authorized body, within three working days, sends the manufacturer's written request and the draft agreement for approval to the state bodies responsible for the provision of state support measures specified by the manufacturer.

The state bodies responsible for the provision of state support measures, within five working days, consider the manufacturer's request, approve the manufacturer's request provided that the manufacturer meets the requirements (if any) established by the legislation of the Republic of Kazakhstan for obtaining relevant state support measures and send the completed approval form to the authorized body in accordance with Appendix 3 to these Rules, as well as the list of support measures required by the manufacturer to enter into the agreement, which is an appendix to the agreement (hereinafter referred to as the list of state support measures), signed by the head of the relevant state body or the person acting for him/her.

The state bodies responsible for the provision of state support measures refuse to approve the request of the manufacturer if the latter fails to meet the requirements (if any) established by the legislation of the Republic of Kazakhstan for obtaining relevant state support measures.

7. If state bodies responsible for the provision of state support measures approve the list of state support measures and submit this list signed by the head of the relevant state body or a person acting for him/her, the authorized body, within fifteen working days, shall consider the documents submitted by the manufacturer for compliance with the conditions established by paragraph 4 of these Rules, taking into account the existence of concluded agreements on similar components of vehicles and (or) agricultural machinery declared in the draft schedule plan, the workload of production facilities and the market volume of components of vehicles and (or) agricultural machinery, and makes a decision on the conclusion of the agreement or on the refusal to conclude it on the grounds indicated in paragraph 11 of these Rules.

If a decision is made to conclude the agreement, the authorized body sends the manufacturer a draft agreement, a schedule and a list of state support measures in two copies, in the national and Russian languages.

8. Taking into account the provisions of paragraph 3 of these Rules, the manufacturer, within ten working days of receipt of the documents specified in part two of paragraph 7 of these Rules, sends the authorized body the draft agreement, the schedule and the list of state support measures signed by the chief executive officer of the manufacturer or another authorized person or a notification of a reasoned refusal to enter into the agreement.

9. In case of a failure to submit the documents specified in part two of paragraph 7 of these Rules within the timeframe established by paragraph 8 of these Rules, taking into account the provisions of paragraph 3, to the authorized body, the manufacturer is considered to have refused to enter into the agreement.

10. Having received signed copies of the draft agreement, schedule and the List of state support measures, the authorized body, within five working days, signs, registers the agreement and schedule and sends one copy to the manufacturer.

Concluded agreements are registered by the authorized body.

11. The manufacturer is refused to conclude the agreement in case of:

1) submission of an incomplete package of documents specified in paragraph 5 of these Rules;

2) establishment of non-compliance with the conditions established by paragraph 4 of these Rules, unreliability of the documents provided by the manufacturer, and (or) the data (information) contained therein;

3) the presence of an operating production of a similar component of vehicles and (or) agricultural machinery, which fully meets the needs of the market of the Republic of Kazakhstan;

4) state bodies' refusal to approve the list of state support measures.

Chapter 3. Grounds for modifying and terminating the agreement

12. The agreement is amended and (or) supplemented on such grounds as:

1) alterations to the legislation of the Republic of Kazakhstan concerning the activities of the manufacturer, provided that they do not lead to the worsening of the provisions of the agreement;

2) alterations to the legislation of the Republic of Kazakhstan improving the position of the manufacturer and (or) providing for the provision of additional state support measures to manufacturers;

3) the change in the name of a legal entity;

4) in any other cases provided for by the agreement and (or) the legislation of the Republic of Kazakhstan.

13. The agreement is terminated in the following cases:

- 1) by agreement of the parties;
- 2) the manufacturer's failure to remedy revealed violations within the timeframe specified in the notification unilaterally at the initiative of the authorized body;
- 3) at the initiative of the manufacturer in case of non-receipt or receipt of incomplete state support measures provided for in the agreement;
- 4) in other cases provided for by the agreement and (or) the legislation of the Republic of Kazakhstan.

14. In case of termination on the grounds provided for in subparagraphs 2) and 3) of paragraph 13 of these Rules, the relevant party shall notify the other party prior to the expected date of termination of the agreement.

15. If the Agreement is terminated due to the manufacturer's failure to fulfill or improper fulfillment of the requirements of the Agreement, the manufacturer shall reimburse the benefits provided from the date of conclusion of the Agreement under the relevant EAEU CN of FEA code in accordance with the legislation of the Republic of Kazakhstan and the Agreement.

Appendix 1
to the Rules and
conditions for entering into
an agreement on industrial
assembly of components of
vehicles and (or) agricultural
machinery with legal entities of the
Republic of Kazakhstan, as well as
grounds for its modification and
termination

Technological operations and requirements for the production of components of vehicles and (or) agricultural machinery

Code (group) EAEU CN of FEA *	Name of a component of vehicles and (or) agricultural machinery	Technological operations and requirements **
		The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years from the moment of entering into the agreement or from the time of the start of production of the following operations and requirements: 1) installation of the mold; 2) connection of the cooling system; 3) warming up the plasticizing unit of the injection molding machine; 4) warming up the mold in the presence of a hot channel;

<p>3926 90 970 9</p>	<p>Exterior door handles</p>	<p>5) adjusting the clamping of the mold;</p> <p>6) adjusting the parameters of the injection molding machine to the product (speed, pressure, temperature);</p> <p>7) preparation of raw materials (adding additives and dyes, if necessary);</p> <p>8) loading of raw materials into the bunker-dryer;</p> <p>9) starting the injection molding machine (starting engines and all systems);</p> <p>10) adjusting the casting parameters in the setting mode;</p> <p>11) transition to automatic mode upon receipt of the required quality parameters of the product;</p> <p>12) setting up the robot to retrieve the finished product;</p> <p>13) control of the uninterrupted operation of the injection molding machine (feed-preparation of raw materials, robot);</p> <p>14) quality control of finished products.</p>
		<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years from the moment of entering into the agreement or from the time of the start of production of the following operations and requirements:</p> <p>1) preparation of raw materials and materials: steaming the rubber; heating liquid plasticizers (softeners) ; crushing, screening and chopping (if necessary) of chemicals;</p> <p>2) production of rubber compounds: mixing of all ingredients by weights in accordance with the prescribed recipes and mixing modes according to a 2- or 3-stage mixing method in rubber mixers; processing of a rubber mixture in a unit of three pairs of rollers;</p>

4011	Tire (tire casing)	<p>cooling, drying and palletizing of the rubber mixture in an installation with a festoon-type cooler;</p> <p>3) profiling of work pieces: profiling of rubber compounds through a pin extruder, with a single, duplex or triplex extrusion head;</p> <p>4) rubberizing textile cord and steel cord;</p> <p>5) cutting rubberized textile cord and steel cord on cutting lines;</p> <p>6) production of bead rings on a bead ring production line equipped with an extruder;</p> <p>7) production of bead cores on a bead core assembly line equipped with an extruder. Applying a profiled filling cord to the bead ring;</p> <p>8) assembly of tires on an assembly machine using a flat method;</p> <p>9) painting the inner surface of an green tire or tire casing on the frictioning line in automatic mode, or manually;</p> <p>10) molding and vulcanization of tire casing on hydraulic vulcanizing presses and hydraulic vulcanizing presses equipped with sector or non-sector molds;</p> <p>11) inspection of the quality of finished products on the lines to measure tire uniformity, dynamic and static imbalance;</p> <p>12) storage, warehousing, shipment, transportation of finished products: is carried out in accordance with the regulated conditions for storage, warehousing, shipment and transportation of finished products, ensuring the preservation of the quality of finished products in accordance with regulatory requirements.</p>
		<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years from the moment of entering into the agreement or from the time of the start of production of the following operations and requirements:</p> <p>1) mold preparation:</p>

4016 91 000 0	Rubber carpet	<p>purification of raw materials; granulation of raw materials; cleaning raw materials from metal parts; cleaning raw materials from other components with a sieve; vulcanizing press for making rubber cushions; pressing in special molds at high temperatures; extraction of work pieces; separation of work pieces; cooling of work pieces with water; cutting work pieces; mechanical manual work on the installation of fasteners; 2) production from rolls: cutting the work piece on a special plotter; overlock on a special sewing machine; embroidery of logos and symbols; mechanical manual work on the installation of fasteners.</p>
7009 10 000 9	Door mirror	<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years from the moment of entering into the agreement or from the time of the start of production of the following operations and requirements: 1) installation of the mold; 2) connection of the cooling system; 3) warming up the plasticizing unit of the injection molding machine; 4) warming up the mold in the presence of a hot channel; 5) adjusting the clamping of the mold; 6) adjusting the parameters of the injection molding machine to the product (speed, pressure, temperature); 7) preparation of raw materials (adding additives and dyes, if necessary); 8) loading of raw materials bunker-dryer;</p>

		<p>9) starting the injection molding machine (starting engines and all systems);</p> <p>10) adjusting the casting parameters in the setting mode;</p> <p>11) transition to automatic mode upon receipt of the required quality parameters of the product;</p> <p>12) setting up the robot to retrieve the finished product;</p> <p>13) control of the uninterrupted operation of the injection molding machine (feed-preparation of raw materials, robot);</p> <p>14) quality control of finished products.</p>
8408	Internal combustion engine:	<p>1. The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or from the start of production of the following operations and requirements: processing of cylinder blocks; cylinder head processing; piston group processing; crankshaft machining.</p> <p>2. The performance of assembly from the eighth year of conclusion of the agreement, in addition to the operations carried out from the moment of entering into the agreement or from the moment of the start of production, including the installation of the crankshaft and the connecting rod-piston group, carrying out control tests.</p>
		<p>1. The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or from the start of production of the following operations and requirements:</p> <p>1) preparation of charge and molding materials in the blank shop;</p> <p>2) production of rods and (or) molds on sand-fired robotic rod machines;</p> <p>3) subassembly of core packages and (or) molds on the conveyor;</p>

8409 99 000 9	Cylinder block and cylinder head of a cargo vehicle engine	<p>4) assembly and transfer of subassemblies of core packages and (or) molds to the storage area of core packages;</p> <p>5) installation of the core package in the flask;</p> <p>6) filling molds or flasks with metal using a mechanized filling system with casting ladles;</p> <p>7) cooling of castings;</p> <p>8) sorting of castings to remove heads;</p> <p>9) removal of heads and risers;</p> <p>10) shot blasting of surfaces with steel shot;</p> <p>11) cleaning the casting flash;</p> <p>12) coating of castings with anti-corrosion coating.</p> <p>2. The performance in the third and fourth years of conclusion of the agreement or from the moment of the start of production in addition to the operations carried out from the moment of entering into the agreement or from the moment of the start of production:</p> <p>1) mechanical processing of a part.</p>
8507	Electric accumulators	<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or from the start of production of at least 3, in the third and fourth years of conclusion of the agreement or from the time of the start of production – at least 8, in the fifth and subsequent years - at least 14 of the following operations:</p> <p>1) gravity casting;</p> <p>2) production of a plate for cargo batteries and dry-charged batteries;</p> <p>3) casting of lead tape;</p> <p>4) manufacture of lead powder;</p> <p>5) making the paste;</p> <p>6) applying paste to down conductors;</p> <p>7) manufacture of electrolyte;</p> <p>8) separation of the negative plate;</p> <p>9) assembly of blocks of electrodes;</p> <p>10) soldering of electrode blocks;</p>

		<p>11) assembly of batteries, including installation in the case, welding of cells, welding of a cover, soldering of leads;</p> <p>12) electrochemical activation of batteries - charging;</p> <p>13) manufacturing of plastic components required for assembling storage batteries: housing, cover, plugs, handles, strips, plugs, gas outlet pipes of different colors;</p> <p>14) battery labeling.</p>
8544 30 000 7	Wiring harnesses	<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years from the moment of conclusion of the agreement or from the time of the start of production of the following operations and requirements:</p> <p>1) assembly and control tests;</p> <p>2) manufacturing of cast polymer parts;</p> <p>3) compliance with the percentage of the cost used in the production of foreign materials (raw materials) and components no more than 50 percent of the component price.</p>
8707 90 900 9	Other bodies (including cabins) for motor vehicles of the commodity heading 8701-8705	<p>1. The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or since the start of production of the following operations:</p> <p>1) cutting and bending of work pieces, assembly, welding, painting of the body (bunker, container, tank (vessel) or superstructure for special purposes);</p> <p>2) installation of the electrical equipment system;</p> <p>3) installation of the pneumatic equipment system (if any in the structure);</p> <p>4) installation of the hydraulic equipment system (if any in the structure).</p> <p>2. The performance from the fifth year of conclusion of the agreement or from the moment of the start of</p>

		<p>production, in addition to the operations carried out from the moment of conclusion of the agreement or from the moment of the start of production:</p> <p>1) assembly, welding of subframes (if any in the structure).</p> <p>3. The performance from the eighth year of conclusion of the agreement or from the moment of the start of production, in addition to the operations carried out from the moment of conclusion of the agreement:</p> <p>1) forming the bottoms of the containers (if any in the structure).</p>
8708 10 900 9	Bumper	<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in subsequent years of conclusion of the agreement or from the time of the start of production of the following operations and requirements:</p> <p>1) installation of the mold;</p> <p>2) connection of the cooling system;</p> <p>3) warming up the plasticizing unit of the injection molding machine;</p> <p>4) warming up the mold in the presence of a hot channel;</p> <p>5) adjusting the clamping of the mold;</p> <p>6) setting the parameters of the injection molding machine for the product (speed, pressure, temperature);</p> <p>7) preparation of raw materials (adding additives and dyes, if necessary);</p> <p>8) loading of raw materials in the bunker-dryer;</p> <p>9) starting the injection molding machine (starting engines and all systems);</p> <p>10) adjusting the casting parameters in the setting mode;</p> <p>11) transition to automatic mode upon receipt of the required quality parameters of the product;</p> <p>12) setting up the robot to retrieve the finished product;</p>

		<p>13) control of the uninterrupted operation of the automatic molding machine (feed-preparation of raw materials, robot);</p> <p>14) quality control of finished products.</p>
8708 29 900 9	Glasses	<p>The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or since the start of production of the following operations and requirements:</p> <p>1) assembly and control tests;</p> <p>2) production of tooling;</p> <p>3) compliance with the percentage of the cost used in the production of foreign materials (raw materials) and components no more than 50 percent of the component price.</p>
		<p>1. The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or from the start of production of the following operations and requirements:</p> <p>1) precision stamping: cutting of work pieces; induction heating of work pieces; hot stamping in closed dies;</p> <p>2) machining: processing of bevel and cylindrical gears with a circular tooth; turning operations; milling operations; boring operations; drilling holes; cutting metric and tapered threads; gear hobbing of gears; gear cutting; gear grinding; hard turning of hardened parts; processing of large body parts; grinding of external surfaces; grinding of internal surfaces; turning of shafts; turning of individual groups of parts: axles, studs, rods; nuts;</p>

8708 50 990 9

Main gear of the driving axle of a cargo vehicle

couplings;
flanges;
washing operations:
body parts;
gears;
large shafts;
3) assembly and testing of final drives and subassemblies of incoming sub-assemblies;
4) heat treatment:
cementation;
volumetric hardening;
5) electroplating:
phosphating;
chemical electroplating;
chemical degreasing of parts;
6) quality control of products in the laboratory:
spectral analysis of the metal (checking the quality of the incoming metal);
analysis of the hardness and structure of the metal;
measurement of geometric parameters of parts and work pieces.
2. The performance in the third and fourth years of conclusion of the agreement or from the moment of the start of production of at least 3, in the fifth and subsequent years - at least 5 of the following operations, in addition to operations carried out from the moment of conclusion of the agreement or from the moment of the start of production:
1) precision stamping:
shot blasting;
cold calibration;
2) machining:
arc welding of flanges;
differential laser welding;
processing of internal splines;
gear shaping operations;
processing of small body parts, milling of other parts;
grinding flat surfaces;
cold knurling of the spline;
milling of face splines;
processing of aluminum parts;
turning of individual groups of parts:
lids, glasses;

		<p>pinions, satellites with precision stamping; crosses; washing operations: small bodies of rotation; flanges, couplings; lids, glasses; HFC hardening; 3) heat treatment; 4) electroplating; parts etching operations; parts passivation operations; parts drying operations; 5) storage and shipment of waste; 6) quality control of products in the laboratory: analysis of the quality of heat treatment processes; analysis of the quality of the applied coatings.</p>
8708 50 990 9	Driving axle housing (beam)	<p>1. The performance at the time of the start of production (new production) or at the time of entering into the agreement (current production) and in the second year of conclusion of the agreement or from the start of production of the following operations and requirements: 1) preparation of charge and molding materials in the blank shop; 2) production of rods and (or) molds on sand-fired robotic rod machines; 3) subassembly of core packages and (or) molds on the conveyor; 4) assembly and transfer of subassemblies of core packages and (or) molds to the storage area of core packages; 5) installation of the core package in the flask; 6) filling molds or flasks with liquid metal using a mechanized filling system with casting ladles; 7) cooling of castings; 8) sorting of castings to remove heads; 9) removal of heads and risers; 10) shot blasting of surfaces with steel shot; 11) cleaning the casting flash; 12) coating of castings with anti-corrosion coating.</p>

	2. The performance of the machining of parts in the third and fourth years of conclusion of the agreement or from the moment of the start of production, in addition to the operations carried out from the moment of conclusion of the agreement or from the moment of the start of production.
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Note:

* EAEU CN of FEA - a unified commodity nomenclature of foreign economic activity of the Eurasian Economic Union.

** Technological operations are applied in the presence of the mentioned parts and assembly units in the construction of a component of a vehicle and (or) agricultural machinery.

Appendix 2
to the Rules and
conditions for entering into
an agreement on industrial
assembly of components of
vehicles and (or) agricultural
machinery with legal entities of the
Republic of Kazakhstan, as well as
grounds for its modification and
termination

Schedule for the performance of an agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan

№	Code of EAEU CN of FEA *	Name of a component of a vehicle and (or) agricultural machinery	Technological operations and requirements for the production of a component of a vehicle and (or) agricultural machinery	Deadlines
1	2	3	4	5

Note:

* EAEU CN of FEA - a unified commodity nomenclature of foreign economic activity of the Eurasian Economic Union.

Authorized body _____	Manufacturer _____
(signature) (surname, name, patronymic (if any))	(signature) (surname, name, patronymic (if any))

Date “__” _____ 20__

to the Rules and
conditions for entering into
an agreement on industrial
assembly of components of
vehicles and (or) agricultural
machinery with legal entities of the
Republic of Kazakhstan, as well as
grounds for its modification and
termination

Approval form of the list of support measures a manufacturer needs to enter into an agreement

Item №	Measure	Coordinating body responsible for the provision of state support measures	Approval or refusal to approve
1.	Provision of incentives for the production of components of environmentally friendly motor vehicles (corresponding to emission class 4 and higher; with electric motors) in accordance with item thirty-four of subparagraph 29) of Article 17 of the Environmental Code of the Republic of Kazakhstan as of January 9, 2007	Authorized bodies for environmental protection and industrial development	
2.	Conclusion of a special investment contract in accordance with paragraph 3 of Article 295-1 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015	Authorized body for industrial development	
3.	Partial reimbursement of the costs of subjects of industrial and innovative activities to promote domestic processed goods in accordance with subparagraphs 6-1), 6-2) of paragraph 2 of Article 102 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015	Authorized body for trade regulation	
	Other state support measures and industrial		

4

incentive measures in accordance with the legislation of the Republic of Kazakhstan

Relevant state body responsible for the provision of a relevant state support measure

Appendix 2
to Order № 491 of the Minister of
Industry and Infrastructure
Development of
the Republic of Kazakhstan
as of September 22, 2020

Standard Form of an agreement for industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan

city of Nur-Sultan _____

(day, month, year)

This agreement on industrial assembly of components of vehicles and (or) agricultural machinery with legal entities of the Republic of Kazakhstan (hereinafter referred to as the Agreement) entered into by

(name of the authorized body)

represented by _____

(surname, name, patronymic (if any) of the head or the person acting for him/her) acting on the basis of

(document confirming the authority) (hereinafter referred to as the Authorized body) and

(name of the legal entity of the Republic of Kazakhstan)

represented by _____

(surname, name, patronymic (if any) of the chief executive officer or other authorized person) acting on the basis of

(document confirming the authority) (hereinafter referred to as the manufacturer), hereinafter referred to as the Parties, taking into account that:

1) the Authorized body is endowed with rights directly related to the conclusion and control over the performance of this Agreement;

2) the Parties have agreed that the Agreement will govern their mutual rights and obligations in the course of its performance, and have entered into this Agreement as follows.

Chapter 1. Scope of the Agreement

1. The scope of this Agreement is the interaction of the Parties to establish and implement mutual obligations and guarantees in the industrial assembly of components of vehicles and (or) agricultural machinery, taking into account the state support of the Republic of Kazakhstan.

2. Measures of state support are provided to the Manufacturer in accordance with the appendix to this Agreement approved by the state bodies responsible for their provision.

3. If alterations introduced in the legislation of the Republic of Kazakhstan regulating the provision of state support measures worsen the situation, it is necessary to apply the norms of the legislation effective at the time of entry into force of the Agreement.

Chapter 2. Obligations and Rights of the Parties

4. The Manufacturer undertakes:

1) to provide industrial assembly of components of vehicles and (or) agricultural machinery;

2) to submit a report on the volume of products manufactured and performed technological operations and requirements for the production of components of vehicles and (or) agricultural machinery to the Authorized Body on or before April 15 of a year following the reporting year;

3) at the request of the Authorized Body, to provide all the necessary documents on the fulfillment of its obligations, as well as demonstrate the production capacity and (or) the technological operations performed during the on-site inspection of the commission;

4) after the elimination of revealed violations, to send a notification of their elimination with the provision of supporting documents to the Authorized Body within a month.

5. The Authorized body undertakes:

1) in the event of introduction of alterations to the legislation of the Republic of Kazakhstan concerning the activities of the Manufacturer, not to modify the Agreement to worsen its terms;

2) to sign an additional agreement in the event of introduction of alterations to the legislation of the Republic of Kazakhstan that improve the situation for the Manufacturer and (or) provide for additional measures of state support to the Manufacturer;

3) to monitor the performance of the Agreement;

4) to provide comprehensive assistance to the Manufacturer in obtaining state support measures, including advice and assistance in concluding contracts with relevant state bodies responsible for providing such measures;

5) to provide the manufacturer, within three working of the Authorized body's inspection, with a minutes' opinion on the manufacturer's performance, failure to perform or improper performance of the obligations assumed under the agreement;

6) other obligations provided for by the legislation of the Republic of Kazakhstan.

6. The Manufacturer has the right:

1) to receive measures of state support provided for in the appendix to this Agreement for the entire volume of products manufactured in accordance with this Agreement and agreements with the relevant state bodies providing such measures;

2) to receive any other measures of state support for the entire volume of manufactured products in accordance with the legislation of the Republic of Kazakhstan;

3) to take any actions consistent with the terms of the Agreement and the current legislation of the Republic of Kazakhstan in order to fulfill the obligations assumed;

4) to send proposals regarding the introduction of additional measures of state support for manufacturers who have entered into agreements to the Authorized Body;

5) to protect its rights in any way in accordance with the legislation of the Republic of Kazakhstan, and also to demand from the state bodies responsible for the provision of state support measures, specified in the appendix to this Agreement, full compensation for the losses incurred by it:

for a failure to provide or provision of incomplete measures of state support in accordance with the appendix to this Agreement;

as a result of the issuance of an act of a state body that does not comply with the legislation, as well as those caused by the actions (inaction) of officials of these bodies;

as a result of the breach of the obligations under this Agreement by the Authorized body;

6) other rights provided for by the legislation of the Republic of Kazakhstan.

7. The Authorized body has the right:

1) to request necessary information on the performance of the Agreement;

2) to carry out on-site inspections no more than twice a year in order to monitor compliance with the requirements established by this Agreement;

3) to develop proposals regarding the introduction of additional measures of state support for manufacturers who have entered into agreements and submit them for approval to the Government of the Republic of Kazakhstan;

4) other rights provided for by the legislation of the Republic of Kazakhstan.

Chapter 3. Liabilities of the Parties and termination of the Agreement

8. For a failure to perform or improper performance of the Agreement, the Parties shall be liable in accordance with this Agreement and the current legislation of the Republic of Kazakhstan.

9. The Manufacturer notifies the Authorized body of the failure to provide or the provision of incomplete measures of state support in accordance with the terms of this Agreement and agreements concluded by the Manufacturer with state bodies and other legal entities responsible for the provision of state support measures by sending a written request indicating the measures that were not provided, periods of non-provision and the requirement to provide such measures within one calendar month.

10. In case of a failure to perform or improper performance of the Agreement, the Authorized body shall send a written notification to the Manufacturer about the need to remedy the violations, indicating the identified violations.

The Manufacturer shall remedy violations within a month of receipt of the notification.

11. The Parties have the right to early terminate this Agreement:

1) by agreement of the Parties;

2) if the Manufacturer fails to remedy the identified violations in accordance with paragraph 10 of this Agreement by the deadline specified in the notification unilaterally at the initiative of the Authorized body;

3) at the initiative of the Manufacturer if state support measures provided for in the Agreement were not received or were received not in full;

4) in other cases provided for by the Agreement and (or) the legislation of the Republic of Kazakhstan.

12. The Authorized body has the right to terminate this Agreement unilaterally by notifying the Manufacturer in writing 30 (thirty) working days prior to the expected date of termination of the Agreement in cases of:

1) the Manufacturer's failure to fulfill or improper fulfillment of its obligations under the Agreement;

2) a failure to remedy violations caused by the Manufacturer's non-fulfillment or improper fulfillment of its obligations under the Agreement within the time frame specified in the Authorized body's notification about such violations.

13. The Manufacturer has the right to terminate this Agreement unilaterally by notifying the Authorized body in writing 30 (thirty) working days before the date of termination of the Agreement in cases of:

1) the Authorized body's failure to fulfill or improper fulfillment of its obligations under the Agreement;

2) a failure to provide or partial provision of state support measures provided for by this Agreement.

Chapter 4. Force Majeure

14. Neither Party shall be liable for a failure to fulfill any obligations under the Agreement if such a failure or delay in fulfillment is caused by force majeure circumstances (hereinafter referred to as force majeure).

15. Force majeure includes military conflicts, natural disasters, acts of God (fires, major accidents, disruption of communications, etc.), and other extraordinary and unavoidable events.

16. In the event of force majeure circumstances, the Party affected by them, within 15 (fifteen) working days of their occurrence, notifies the other Party by delivery of a written notice indicating the start date of the event and a description of the force majeure circumstances.

17. In the event of force majeure, the Parties shall immediately conduct negotiations to address the current situation and use all means to minimize the consequences of such circumstances.

Chapter 5. Confidentiality

18. In accordance with the legislation of the Republic of Kazakhstan, the Parties comply with the confidentiality conditions for all documents, information and reports related to the work on the performance of this Agreement during its validity period.

19. Neither Party has the right to disclose information regarding the content of the Agreement, or other information considered confidential and related to the implementation of the provisions of this Agreement without obtaining the written consent of the other Party, except for the cases below:

1) when information is used in the course of legal proceedings;

2) when information is provided to third parties that provide services to one of the Parties under the agreement, provided that such a third party undertakes to comply with

the confidentiality conditions for such information and use it only for the purposes established by the Parties and for a period specified by the Parties;

3) when information is provided to a bank or other financial institution from which the Party receives financial resources, provided that such a bank or financial institution undertakes to comply with the confidentiality conditions for such information;

4) when information is provided to the tax or other state bodies of the Republic of Kazakhstan that have access to any information, including bank secrets, related to any bank accounts of the Manufacturer, including those with foreign banks outside the Republic of Kazakhstan.

Chapter 6. Settlement of disputes

20. Any dispute between the Parties regarding the interpretation or application of this Agreement shall be resolved through consultation and negotiation.

21. Unresolved disputes are resolved in court in accordance with the legislation of the Republic of Kazakhstan.

Chapter 7. Final provisions, entry into force and termination of the Agreement

22. Any provisions not directly regulated by this Agreement, including those relating to the protection of rights, as well as liability for the breach of obligations, a failure to provide state support measures, are governed by the legislation of the Republic of Kazakhstan.

23. None of the provisions of this Agreement shall be construed as a waiver of the right to protection or as limiting the Manufacturer's remedies that are available (or may be available in the future) to the Manufacturer by virtue of the laws of the Republic of Kazakhstan or applicable international agreements. All and any such remedies may be exercised by the Manufacturer in full, without any limitation.

24. This Agreement is concluded for 20 years with an option to renew it and is valid until _____ .

25. Drawn up in the city of _____ on " ____ " _____ in two copies, each in the Kazakh and Russian languages having the same legal force, 1 (one) copy for each Party. In case of disagreement in the interpretation of the provisions of this Agreement, the Parties refer to the text in Russian.

Authorized body _____	Manufacturer _____
(signature) (surname, name, patronymic (if any))	(signature) (surname, name, patronymic (if any))

Appendix
to the Standard form of the
agreement on industrial assembly
of components of vehicles

and (or) agricultural machinery
with legal entities of
the Republic of Kazakhstan

List of state support measures

Item №	Measure	State body responsible for the provision of a state support measure
1.	Provision of incentives for the production of components of environmentally friendly motor vehicles (corresponding to emission class 4 and higher; with electric motors) in accordance with item thirty-four of subparagraph 29) of Article 17 of the Environmental Code of the Republic of Kazakhstan as of January 9, 2007	Authorized bodies for environmental protection and industrial development
2.	Conclusion of a special investment contract in accordance with paragraph 3 of Article 295-1 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015	Authorized body for industrial development
3.	Partial reimbursement of the costs of subjects of industrial and innovative activities to promote domestic processed goods in accordance with subparagraphs 6-1), 6-2) of paragraph 2 of Article 102 of the Entrepreneurial Code of the Republic of Kazakhstan as of October 29, 2015	Authorized body for trade regulation
4	Other state support measures and industrial incentive measures in accordance with the legislation of the Republic of Kazakhstan	Relevant state body responsible for the provision of a relevant state support measure

_____ **(name of the state body)**

(position of the authorized person)

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