



## **On approval of the Rules for the provision of innovative grants for the technological development of existing enterprises**

### *Unofficial translation*

Order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated October 5, 2020 № 370/HK. Registered with the Ministry of Justice of the Republic of Kazakhstan on October 9, 2020 № 21380.

### **Unofficial translation**

In accordance with subclause 7) of clause 2 of article 100-1 of the Entrepreneur Code of the Republic of Kazakhstan dated October 29, 2015 **I HEREBY ORDER:**

1. To approve the attached Rules for the provision of innovative grants for the technological development of existing enterprises.

2. To recognize as invalid:

1) order of the Minister of Investment and Development of the Republic of Kazakhstan dated December 18, 2015 № 1211 "On approval of the Rules for the provision of innovative grants for the technological development of existing enterprises" (registered with the Register of State Registration of Regulatory Legal Acts as № 13063, published on June 22, 2016 in the "Adilet" Information and Legal System);

2) clause 2 of the List of certain orders of the Minister of Investment and Development of the Republic of Kazakhstan, to which amendments and additions, approved by the order of the Minister of Investment and Development of the Republic of Kazakhstan dated June 7, 2017 № 332 "On amendments and additions to certain orders of the Minister of Investment and Development of the Republic of Kazakhstan" (registered with the Register of State Registration of Regulatory Legal Acts as № 15288, published on June 30, 2017 in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan in the electronic form) were made.

3. The Department of Innovations Ecosystem of the Ministry of Digital Development, Innovations and Aerospace Industry 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 Internet resource of the Ministry of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan;

3) within ten working days after the state registration of this order, submission to the Legal Department of the Ministry of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan of information about execution of measures, stipulated by subclauses 1) and 2) of this clause.

4. Control over execution of this order shall be entrusted to the supervising Vice-Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan.

5. This order shall come into force upon expiry of ten calendar days after the date of its first official publication.

*Minister of Digital Development, Innovations,  
and Aerospace Industry  
of the Republic of Kazakhstan*

*B. Mussin*

"AGREED"

Ministry of Industry and  
Infrastructural Development  
of the Republic of Kazakhstan

"AGREED"

Ministry of Finance  
of the Republic of Kazakhstan

"AGREED"

Ministry of National Economy  
of the Republic of Kazakhstan

Approved  
by the order of the Minister of  
Digital Development, Innovations  
and Aerospace Industry  
of the Republic of Kazakhstan  
dated October 5, 2020 № 370/HK

## **Rules for the provision of innovative grants for the technological development of existing enterprises**

### **Chapter 1. General Provisions**

1. These Rules for the provision of innovative grants for the technological development of existing enterprises (hereinafter referred to as the Rules) have been developed in accordance with subclause 7) of clause 2 of article 100-1 of the Entrepreneur Code of the Republic of Kazakhstan dated October 29, 2015 and shall determine the procedure for the provision of innovative grants for the technological development of existing enterprises.

2. These Rules shall use the following basic concepts:

1) information and communication technologies (hereinafter – the ICT) - a set of methods for working with electronic information resources and methods of information interaction, carried out using a hardware-software complex and a telecommunications network;

2) a grantee - a legal entity that received an innovation grant in accordance with these Rules;

3) the council for grant financing (hereinafter - the Council) - a collegial body, which includes an odd number of representatives of public organizations and relevant industries (as

agreed), independent experts (domestic and (or) foreign), created within the framework of the national institute in areas of technological development, to make decisions on projects of grantees, taking into account the examination of applications and the conditions for the provision of innovative grants established by these Rules;

4) project evaluation criteria - signs for evaluating the applicant's project using a point system;

5) contract on the provision of an innovation grant for the technological development of existing enterprises (hereinafter - the contract) – a contract concluded between the national institute and the applicant for the provision of an innovation grant;

6) is excluded by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);

7) an innovation grant - budget funds provided to the subjects of innovation activities free of charge for the implementation of their innovation projects within the framework of priority areas for providing innovation grants;

8) National institute for the development in the field of innovative development (hereinafter - the National institute) - National development institute authorized to provide measures of state support for innovation activities;

9) the authorized body in the field of state support for innovation activities (hereinafter - the authorized body) - the central executive body carrying out leadership in the field of innovative development, as well as, within the limits provided for by the legislation of the Republic of Kazakhstan, intersectoral coordination and participation in the implementation of state support for innovation activities;

10) decision of the Council - a decision made by the members of the Council and documented in minutes and containing information on the results of voting on the issue of providing an innovation grant;

11) a licensing contract – a contract under which the patent holder (licensor) grants the other party (licensee) the right to temporarily use the corresponding object of industrial property in a certain way;

12) advanced technology - technology that has little practical application in the market and high potential for further distribution;

13) application - an application for an innovation grant for the technological development of existing enterprises, sent by the applicant, which is filled out through an automated system for electronic receipt and support of applications;

14) an automated system for electronic receipt and support of applications (hereinafter - the automated system) - an automated system for receiving and maintaining applications for innovation grants;

15) an applicant - a subject of innovation activity - a legal entity operating on the territory of the Republic of Kazakhstan within the framework of priority areas for providing

innovation grants, which has submitted an application for an innovation grant for consideration in accordance with these Rules;

16) is excluded by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);

17) technology – a set of methods and tools that ensure the production and release of certain products, including the production and release of goods;

18) technology transfer - the process of introducing new or improved technologies by subjects of innovative activity, the rights of ownership, possession and (or) use of which have been obtained in ways not prohibited by the laws of the Republic of Kazakhstan;

19) products of the electronics industry – electronic components and products made from them for various purposes.

Footnote. Paragraph 2 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication); as amended by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

3. Innovation grants for the technological development of existing enterprises shall be provided to applicants for solving technological problems for the development of the enterprise, implementation of the import substitution program, by introducing the results of scientific and technical activities, including using technology transfer, in order to obtain a positive economic effect, within the framework of priority areas, determined by the authorized body.

At the same time, the authorized body shall conduct a competition to provide innovation grants for the technological development of existing enterprises in all or individual priority areas from among the identified priority areas by involving the national development institute in the field of innovative development

An innovation grant shall not be provided to the subjects of innovative activity, fifty or more percent of shares (participation shares in the authorized capital) of which directly or indirectly belong to the state, national management holding, national holding, national company.

Footnote. Paragraph 3 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication); as amended by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/

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

4. Information support of the provision of innovative grants shall be carried out by the national institute and the authorized body.

5. The provision of innovation grants shall be carried out by the authorized body with the involvement of the National development institute in the field of innovative development by allocating funds provided for the provision of innovation grants on the basis of a contract concluded between the authorized body and the National institute.

Footnote. Paragraph 5 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);

6. The balances of funds in the current account of the National institute, listed at the end of the financial year, shall not be subject to return to the authorized body and, accordingly, to the state budget, but shall be spent on providing innovation grants in the next financial year.

Footnote. Paragraph 6 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);

7. The services of the National institute for the provision of innovation grants shall be paid for by the authorized body at the expense of the republican budget.

Footnote. Paragraph 7 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);

## **Chapter 2. Procedure for the provision of innovative grants for the technological development of existing enterprises**

8. The national institute announces the acceptance of applications for innovative grants in the mass media and on the official Internet resource of the national institute, indicating the address of the automated system and the schedule for accepting applications. The schedule for accepting applications shall be agreed with the authorized body and published on the official Internet resource within 15 (fifteen) working days before the start of accepting applications.

9. The procedure for providing innovation grants for the technological development of existing enterprises includes the following stages:

1) acceptance, registration and preliminary verification by the National institute of an application in the form according to Appendix 1 to these Rules (hereinafter - the application) with the attached documents specified in paragraph 21 of these Rules, for their completeness, shall be carried out within 5 (five) working days from the date of application receipt.

After completing the preliminary verification of the application, the National institute shall send a notification on identified comments (if any) to the applicant's e-mail address specified in the application.

The applicant eliminates the comments specified in the notification within 10 (ten) working days from the date of their receipt.

If the applicant does not eliminate the comments within the specified period, the National institute shall leave the application without further consideration.

During the period when the applicant eliminates the comments, the period for consideration of the application shall be suspended from the moment an official notification of the identified comments is sent to the applicant through the automated system and resume again after they are eliminated;

2) re-checking the applicant's documents within 3 (three) working days from the date of receipt by the National institute (upon sending a notification to the applicant about the identified comments).

The National institute shall ensure non-disclosure of information about the application to third parties not involved in the process of providing innovation grants, with the exception of the shareholder of the National institute and the authorized body;

3) examination of the application by the National institute within 20 (twenty) working days based on the project evaluation criteria specified in the Requirements for the examination procedure in accordance with Appendix 2 to these Rules;

4) formation and submission of a conclusion based on the results of the examination of the application for consideration by the Council within 5 (five) working days from the date of receipt of the examination conclusions;

5) organizing meetings of the Council and making decisions on granting or not granting an innovation grant;

In order to transparently and comprehensively review applications and make decisions on whether or not to provide an innovation grant, a Council shall be created at the National institute. The organization of activities of the Council, the remuneration of its members, and its composition shall be regulated by an act of the National institute.

The total period of the procedures specified in subparagraph 5) of paragraph 9 of these Rules is 20 (twenty) working days;

6) the National institute refuses to provide an innovation grant for the technological development of existing enterprises in the following cases:

establishing the unreliability of the documents submitted by the applicant to receive an innovation grant, and (or) the data (information) contained in them;

non-compliance of the applicant and (or) submitted materials, objects, data, and information necessary for the provision of an innovation grant with the requirements of these Rules;

if the innovative project was previously provided with state financial support for its stated purposes;

the presence of tax debt and debt for mandatory pension contributions, mandatory professional pension contributions, and social contributions, except for cases when the payment deadline has been deferred in accordance with the legislation of the Republic of Kazakhstan;

a reasoned decision of the Council on refusal to provide an innovation grant;

in case of affiliation of the technology owner or the person performing the assignment of technology rights with the applicant;

7) signing a contract or sending the applicant a justified refusal to provide an innovation grant.

Within 3 (three) working days from the date of the decision by the Council, the National institute shall notify the applicant of the need to sign a contract or send a justified refusal to provide an innovation grant.

The total duration of the procedures specified in paragraph 9 of these Rules is no more than 56 (fifty-six) working days.

If for the corresponding financial year, the total amount of sums applied for innovation grants exceeds the sum allocated by the authorized body for the corresponding financial year, the formation of a list of grant recipients shall be carried out on the basis of the order of receipt of application;

8) acceptance of reciprocal obligations for the provided innovation grant by the grantee.

From the moment the contract is signed until the decision of the National institute to complete the project, the grant recipient shall ensure the fulfillment of counter obligations aimed at creating production for the issuance of a new type of product and (or) automation or optimization of the production process(es).

The grant recipient, within 3 (three) years from the date of the decision by the National institute to complete the project, shall accept reciprocal obligations aimed at increasing the volume of innovative products sold annually by at least 10% of the amount of the innovation grant and achieving the volume of exports of innovative products by at least 10 % of the amount of the innovation grant.

The grant recipient, upon receiving a grant in the priority area “Information and Communication Technologies” and scaling up experience within the period of the grant, must be selected for the Register of trusted software and electronics industry products or receive an industrial certificate.

**Footnote. Paragraph 9 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);**

10. The applicant shall be invited to the Council meeting to present his project in person or through telecommunications with audio and video recording.

Based on the results of the review, the Council shall make a decision to provide an innovation grant or to refuse to provide it to the applicant.

**Footnote. Paragraph 10 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);**

11. In order to control the implementation of the project, the national institute shall carry out ongoing monitoring of the implementation of the project in accordance with the calendar plan and fulfillment by the grantee of undertaken reciprocal obligations.

Monitoring of projects under the concluded contracts shall be regulated by the act of the national institute, which is posted on the Internet resource of the authorized body and the national institute.

12. The contract provides for submission by the grantee of information about the project to the national institute within the period of 3 (three) years since the moment of taking decision by the national institute to complete the project for the purpose of post-grant monitoring of the project.

**13. Is excluded by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).**

### **Chapter 3. Terms and conditions for the provision of innovative grants for the technological development of existing enterprises**

14. An innovation grant for the technological development of existing enterprises shall be provided in the amount of up to 70 (seventy) percent of reasonable costs under a license contract and (or) up to 50 (fifty) percent of reasonable costs for the purchase of software, components and (or) equipment, but no more 400,000,000 (four hundred million) tenge in priority areas, including payment of expenses for the following purposes:

- 1) acquisition of software and electronics industry products, including costs for customization, implementation, and training of the applicant's personnel;
- 2) for software rental services under the SaaS model, in which an operating enterprise uses ready-made software maintained by a provider using cloud technologies;
- 3) acquisition of technical documentation and (or) equipment that is an integral part of the acquired technology from the owner of the technology;
- 4) training of engineering and technical personnel, including with the involvement of foreign specialists, related to the further operation of the introduced technology;
- 5) development of industrial design, product;
- 6) testing of the technological process;

7) product certification.

The following criteria shall be established for the applicant:

carrying out commercial activities in the declared industry for at least 3 (three) years and having tax deductions for 3 (three) years as of the date of application with a cumulative total;

availability of engineering and technical personnel with the required level of qualifications;

the applicant's total annual income for the last 3 (three) years shall be not less than the full cost of the project.

Footnote. Paragraph 14 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication); as amended by the order of the Minister of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan dated 16.02.2024 № 73/ HK (shall come into effect upon expiry of ten calendar days after the date of its first official publication).

15. Affiliation of the owner of the technology or the person who assigns rights to the technology with the applicant shall not be allowed.

15-1. Grounds for refusal to provide an innovation grant:

1) establishing the inconsistency of the applicant, the unreliability of the documents submitted by the applicant to receive an innovation grant, and (or) the data (information) contained therein with the requirements of these Rules;

2) negative decision of the Council for grant financing.

Footnote. The rules have been supplemented by paragraph 15-1 in accordance with the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

16. To transfer the funds for project implementation, the applicant, who obtained a positive conclusion of the Council, shall open a separate current account in the escrow account mode in a second-tier bank - a resident of the Republic of Kazakhstan for the purpose of using funds for the intended purpose for the implementation of the project, with the condition of their depositing without the right of the grantee to commit expenditure transactions not related to the implementation of the project.

A contract for opening a current account in the escrow account mode shall be signed between the applicant, the national institute and a second-tier bank - a resident of the Republic of Kazakhstan.

After signing the contract, the grantee shall transfer funds to a separate current account in the escrow account mode for co-financing the project in the amount according to the calendar plan within 10 (ten) working days.

The national institute, within 5 (five) working days from the date of acceptance of funds from the grantee, shall ensure the transfer of funds to the current account in the escrow account mode in the amount according to the calendar plan.

17. The transfer of the innovative grant to the grantee shall be carried out in accordance with the terms of the concluded contract in tranches (parts) based on the results of the monitoring of the implementation of activities and analysis of the costs, incurred by the grantee in the reporting stage, carried out by the national institute, with the exception of the first tranche.

The national institute shall transfer innovative grant at least in two tranches (parts)

Therewith, the amount of each tranche (part) shall be no more than fifty percent from the approved amount of the innovative grant.

18. The following criteria shall be established for the implemented technologies:

- 1) aimed at technological development of the production enterprise;
- 2) be not lower than the level of advanced and (or) modern, mainly focused on the use of domestic raw materials;
- 3) have a fact of industrial application or the high degree of readiness for use (passed pilot plant tests);
- 4) aimed at the production of products with export potential and (or) increasing labor productivity.

**18-1. Is excluded by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).**

19. A grant for the technological development of existing enterprises shall be provided to the applicants on terms of co-financing in stages according to the calendar plan. The applicant shall submit an application for participation in only one project and shall not apply for other innovative grants for the declared project at the time of consideration of the application and implementation of the project.

20. The term for the development of the grant must not exceed 36 (thirty-six) months.

#### **Chapter 4. List of documents for the obtaining of the innovative grant for the technological development of existing enterprises**

21. The applicant shall submit an application to the National institute through an automated system, including the following documents:

- 1) a copy of a document confirming the intention of the parties to transfer technology, indicating the conditions for the transfer or implementation of developments and (or) products of the electronics industry, indicating the relevant conditions;
- 2) business plan of the project according to the structure in the form according to Appendix 3 to these Rules;

3) financial statements for the last 3 years (persons for whom an annual audit of financial statements is required shall also submit audit reports for the specified period of time);

4) documents confirming the availability of funds for the implementation of the project (including certificates from second-tier banks and account statements) or the decision of a second-tier bank to provide a loan/credit line;

5) at least three commercial proposals for components (activities) of the project and technical specifications for which commercial proposals have been received, with the exception of equipment, components, and services specified in the license contract;

6) financial model for the last 12 (twelve) months. If available, the Plan of development (in Excel format);

7) a financial model for 5 (five) years, taking into account sales forecasts (in Excel format );

8) a list of affiliated persons of the applicant.

If the applicant provides an incomplete package of documents and (or) expired documents specified in this paragraph of the Rules, the National institute shall refuse to accept the application.

**Footnote. Paragraph 21 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication);**

21-1. To conclude a contract on the provision of an innovation grant, the applicant shall submit to the National institute a decision of the highest body on filing an application, on assigning the head or other authorized person with the powers to sign documents related to filing an application and receiving an innovation grant.

**Footnote. The rules have been supplemented by paragraph 21-1 in accordance with the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).**

22. The application, submitted after the expiry of the deadline for submission, shall not be subject to registration and consideration.

23. The applicant shall ensure the completeness and accuracy of submitted documents, initial data, calculations, justifications. In the information provided by the applicant, the sources of the data used in the calculations and the date of the calculation shall be indicated.

24. Registration of a license contract, a contract on the transfer of exclusive rights (assignment) with the authorized body of the Republic of Kazakhstan in the field of intellectual property shall be carried out before the completion of the project.

**Footnote. The rules have been supplemented by paragraph 24 in accordance with the order of the Minister of Digital Development, Innovations and Aerospace Industry of the**

Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Appendix 1  
to the Rules for the provision of  
innovative grants for the  
technological development of  
existing enterprises  
form

**Application for an innovative grant for the technological development of existing enterprises**

Footnote. Appendix 1 as amended by the order of the Minister of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan dated 16.02.2024 № 73/ HK (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

Name		
submits this application with the package of necessary materials for the innovative grant for the technological development of existing enterprises		
Project name:		
The project belongs to the priority area for the provision of innovative grants (indicate only one priority area):		
High-performance technologies:		
Information and communication technologies, including elements of the Industry 4.0	<input type="checkbox"/>	
New materials, additive technologies, nanotechnologies	<input type="checkbox"/>	
Biotechnology, new technologies in medicine and healthcare	<input type="checkbox"/>	
New technologies in the processing industry	<input type="checkbox"/>	
Space technologies	<input type="checkbox"/>	
Environmentally friendly technologies, energy efficiency, energy saving and alternative energy	<input type="checkbox"/>	
New financial technologies	<input type="checkbox"/>	
Electronics industry	<input type="checkbox"/>	
Robotics	<input type="checkbox"/>	
Social innovation		
The requested amount of innovative grant in tenge (in figures and in words):		
Full project cost in tenge (in figures and in words):		

Information about the applicant				
Name of organization:				
Applicant's postal address:				
Bank details, current account, foreign currency account, bank individual code:				
Received and not repaid loans in tenge and foreign currency:				
Phone number	Office		Mobile	
E-mail				
Official website				
Applicant's enterprise size <input type="checkbox"/> Small (up to 100 employees and total annual income not exceeding 300 thousand MCI) <input type="checkbox"/> medium (from 100 to 250 employees and total annual income from 300 thousand to 3 million MCI) <input type="checkbox"/> Large (more than 250 employees and (or) total annual income exceeding 3 million MCI )		Type of activity according to the General Classifier of Economic Activity (four digit): _____		
Actual number of the working personnel, including:				
engineers and technical workers				
administrative and managerial personnel				
Other				
Applicant's founders (indicating the share of participation (if any):				
Information about the head of the project:				
Surname, name, patronymic (if any)				
Education/academic degree/ year of awarding				
Phone number	Office		Mobile	
E-mail				
Contact address				
Contact person:				
Surname, name, patronymic (if any)				
Phone number	Office		Mobile	
E-mail				

Contact address		
Brief information about the project		
Project goal:		
Project objectives:		
Place of project implementation		
Period of project implementation		
Was this project financed from other sources:		
Yes <input type="checkbox"/>	No <input type="checkbox"/>	
If "yes", it is necessary to specify what was the amount, name of the program, project and the sum of the obtained financing)		
Where did you find out about innovative grants? <input type="checkbox"/> website of the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan <input type="checkbox"/> website of the national institute <input type="checkbox"/> mailing of the national institute <input type="checkbox"/> workshops, conferences of the national institute <input type="checkbox"/> social networks <input type="checkbox"/> other _____		
I hereby give my consent to the use of documents, materials and information on this application, including those containing confidential information, when the national institute conducts an expert assessment with the involvement of, inter alia, third parties, as well as to collect data on the legal entity, on the availability of (absence) of accounts payable in all sources. I hereby confirm the reliability of the materials and information provided, including the initial data, calculations, justifications, and I am warned that in case of revealing the facts of providing inaccurate data, the application will be rejected. I hereby confirm that the materials, information, technical and technological solutions and accompanying documentation attached to this application do not have any restrictions on their use and distribution, as well as they do not contain information constituting the state secret of the Republic of Kazakhstan. We also confirm that at the time of filing an application with the national institute, we are not a legal entity, owner and first manager who are or have been the owners and (or) managers of legal entities that are at the stage of bankruptcy, or liquidated as a result of insolvency, whose property has been seized.		
I have read and understood the Rules for the provision of innovative grants for the technological development of existing enterprises, approved by the order of the Minister of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan dated "__" 20 no_. I hereby confirm my agreement with the conditions of provision of the innovative grants and internal procedures of the national institute.		

The required materials and (or) documents in accordance with the requirements of the Rules the provision of innovative grants for the technological development of industries are attached on sheets		
E-mail address for correspondence concerning this application:		
Note: For legal entities, it is drawn up on the letterhead of the organization. The application is signed by the chief executive officer or other authorized person. It is necessary to notify the National Institute in case of a change of the head and changes in contact information (postal address, email address and telephone)		
Position of the head authorized for signing document on behalf of the applicant	<div style="border-bottom: 1px solid black; width: 100%;"></div> (surname, name, patronymic) <div style="border-bottom: 1px solid black; width: 100%;"></div> (signature)	
Acknowledgement of acceptance of materials and (or) documents (to be completed by the national institute)		
Date of receipt:	" " 20	
Registration number of the application	№	
Registrar	<div style="border-bottom: 1px solid black; width: 100%;"></div> (surname, name, patronymic) <div style="border-bottom: 1px solid black; width: 100%;"></div> (signature)	

Appendix 2  
to the Rules for the provision  
of innovation grants  
for technological development  
of operating enterprises

## Requirements for conducting the expertise procedure

**Footnote.** Appendix 2 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

1. Project expertise shall be carried out by a National institute; if necessary, domestic and (or) foreign individuals and (or) legal entities shall be involved.

2. Project evaluation criteria shall be structured as follows:

1) scientific-technical advantages (0-5 points):

degree of addressing systemic problems: number of companies using the technology being implemented, scalability and industry/market size of potential application;

innovativeness;

intellectual property;

2) economic return (0-5 points):

potential economic result (based on the business plan for structure and financial model);

3) capabilities, resources and material base of the applicant (0-10 points):

qualifications and management abilities of personnel;

significant research works;

intellectual property (patents, copyrights and certificates);

technologies put into mass production;

developed industrial processes and products;

experience in managing projects of similar nature, purpose and scope;

resources and material base;

international partners, resources and businesses;

4) criterion for the manufacturability of the applicant's production processes:

high-tech – 5 points;

medium-tech high level – 4 points;

medium-tech low level – 3 points;

low-tech – 2 points;

5) Legal aspects of project implementation (0-5 points):

special conditions of implementation and restrictions on the project;

legal risks (tax debts, litigation, affiliation, presence in registers restricting the activities of a legal entity, approved by authorized state bodies, etc.);

6) current financial state of the applicant (0-5 points):

level of asset liquidity;

financial dependence ratio;

indicator of investments return (for the last reporting year).

The experts shall conduct an expertise of the project in the following areas:

1) technological expertise shall be carried out in order to establish advantages over analogues, technical feasibility and technological feasibility of the project;

2) financial and economic expertise shall be carried out with the aim of assessing the market, the economic feasibility of the project, competitiveness criteria, marketing strategy, distribution of works to the stated deadlines, volume and content of works, and the requested amount of financing;

3) legal expertise shall be carried out for the purpose of a comprehensive legal analysis of the content of the submitted documents for compliance with current legislation.

Technological, financial-economic, and legal expertises shall be carried out on the projects simultaneously.

3. The National institute shall form a list of external domestic and foreign experts and expert organizations, including on the basis of recommendations of the National Chamber of Entrepreneurs of the Republic of Kazakhstan “Atameken” and industry associations.

4. When attracting experts to conduct expertise of applications, the National institute shall conclude a contract with each expert for the provision of expert services, the form of which is regulated by the acts of the National institute.

5. The procedure for conducting the expertise and the form of the assessment sheet shall be regulated by an act of the National institute.

6. It is not allowed to evaluate the application by experts who were directly involved in its preparation, as well as those who are affiliated with the applicant.

Appendix 3  
to the Rules for the provision  
of innovation grants  
for technological development  
of operating enterprises  
Form

## **Business plan for the project by structure**

**Footnote.** Appendix 3 is in the wording of the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 17.05.2022 № 166/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication); as amended by the order of the Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan dated 24.05.2023 № 107/HK (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

1. Brief description of the applicant:

- 1) name of the applicant;
- 2) organizational and legal form, date of state registration (re-registration);
- 3) head of the organization;
- 4) address, telephone, fax, e-mail;
- 5) description of the main areas of activities;
- 6) experience in the industry;
- 7) current organizational state;
- 8) a brief report on financial and economic activities for the last reporting period.

2. Brief description of the project:

- 1) name of the project;

- 2) the essence of the project;
- 3) prerequisites for initiating the project;
- 4) project team;
- 5) the place of implementation of the project (region, district);
- 6) products intended for release or the effect of introducing the acquired technology;
- 7) current status of the project, including the stage of product development (with supporting documents attached);
- 8) special conditions for implementation and restrictions on the project: availability of licenses (if the type of activity is licensed), patents, permits, availability of export and import quotas, restrictions and recommendations on sales and raw materials markets, water, energy supply, transport, communications, opportunities of waste disposal, needs for foreign labor, requirements for environmental cleanliness of technological processes and others;
- 9) cost of project implementation, sources of financing:  
own funds;  
innovation grant;  
borrowed funds (loans or borrowed funds from business entities);
- 10) project implementation period – months (no more than 36 (thirty-six months));
- 11) cost estimate:

The costs for performing the works	Amount of costs (tenge)	Stages of works			Explanation of pricing	Source of financing	Source of data used in calculations
Costs – Total :							
including by items:							
costs from other sources of financing - Total:							
of them:							
Own funds							
Others (specify which)							

For each item of costs, the applicant indicates the sources of data used in the calculations and a breakdown of pricing.

### 13) calendar plan for project implementation:

	Name of works under the contract and its main stages	Period of works implementation (months)	Estimated price of the stage (tenge)	Form and type of reporting
1	2	3	4	5

The draft calendar plan specifies no more than 3 stages of the project implementation.

### 3. Marketing section:

#### 1) product description:

##### 1-1) name of the products offered for release;

Name of goods (services)	Volume of production in value terms (tenge)	Volume of production in physical terms
1.		
2.		

##### 1-2) functional purpose and scope of application;

##### 1-3) main technical, aesthetic and other characteristics of the product;

##### 1-4) indicators of product manufacturability (operational and other qualities);

##### 1-5) compliance with state standards and regulations;

##### 1-6) cost characteristics (per unit of production - cost, wholesale price, retail price);

##### 1-7) information about patent and licensing protection, copyrights, trademarks, and other intellectual property.

#### 2) description of sales markets (export and domestic):

##### 2-1) description of the main companies operating in this market segment;

##### 2-2) description of products offered by competing companies;

##### 2-3) characteristic features of the market, its detailed segmentation (territorial, demographic and others), identification of a market niche;

##### 2-4) quantitative characteristics of the market (annual volumes in physical and monetary terms, trends in growth/decrease in demand);

##### 2-5) justification of the potential market share that the company's products can occupy (TAM (Total Addressable Market) - the total volume of the target market; SOM (Serviceable & Obtainable Market) - actually achievable market volume; SAM (Served/Serviceable Available Market) - accessible market volume);

##### 2-6) secondary markets (connected to the main market by territorial, seasonal, and other characteristics);

##### 2-7) main trends in the markets under study, expected changes;

##### 2-8) the existence of agreements with potential consumers of products and documents confirming readiness to purchase products (protocols of intent, preliminary supply contracts, supply contracts;

##### 2-9) regulatory framework, the presence of regulatory documents, special requirements, ways to satisfy them, associated costs and time costs. Forecast of changes in the regulatory regulation of this market;

##### 2-10) the presence of factors that provide a significant influence on the successful sale of products in a given market (pricing policy, superiority of products in terms of technical characteristics, reputation in the market, relations with contractors, workforce, extraordinary qualities;

#### 3) risk analysis:

3-1) description of the risk assessment methodology used;

3-2) identification of risks in the context of: planned stages of project life; types of risk (financial, technical, legal, commercial, production, organizational); the nature of the consequences (acceptable, critical, catastrophic); by the nature of accounting (internal, external);

3-3) ranking risks by degree of influence and probability of occurrence, and generating a risk map (using the “sensitivity analysis” method);

3-4) risk prevention measures (with reflection of the cost of their implementation).

4. Technical section:

1) a brief description of the project technology;

2) justification for the choice of technological solution;

3) related infrastructure and transport capabilities.

4. Factors determining the volume of production of goods (services) under the project.

5. Comparative analysis of alternative solutions by technical and cost characteristics (technical level and cost of goods and services offered for production in comparison with analogues, links to the source of information):

Name of indicators	Meaning of indicators		
	Proposed sample	Analogue №1	Analogue № 2

6. Provision of resources:

1) raw materials and supplies: list of types of raw materials and supplies used;

2) equipment and components: a list of necessary equipment and components, and the main technical characteristics for them; novelty of equipment and technology; the cost of equipment and components, taking into account transportation costs, tax obligations, customs duties, installation and commissioning works; justification for the need to select a supplier of equipment and components;

3) overhead costs: list of overhead costs; cost of overhead costs; justification of the need and choice of suppliers;

4) production personnel: availability of personnel with the necessary qualifications; analysis of the market of specialists, required qualifications; description of sources and costs of staffing, required qualifications.

5. Financial section

Size and structure of project financing:

1) structure of financing by sources and components: own funds; innovation grant; borrowed funds;

2) comments and explanations for the formation of the financial model of the project: production program; forecast of sales volumes in monetary terms; calculation of product costs and sales costs; forecast report on income and expenses; forecast cash flow statement; forecast of the break-even point of the project;

3) comments and explanations for the formation of financial and economic indicators: net present value (NPV) for the life cycle of the project; internal rate of return (IRR) for the project life cycle; payback period of the project (simple and discounted); simple rate of return (profitability) for each year of the project's life; taxes paid, customs duties and payments to the budget by type.

6. Ecological section

Compliance of the project technology with environmental impact standards and regulations.

7. Socio-economic section:

1) compliance of the project with the needs of the country's economy (state programs and other documents);

2) increasing the production of food products and non-food consumer goods;

3) import substitution (volume and cost of replaced imports);

4) increase in exports (volume and value of exports);

5) creation of new jobs.

Head of the organization

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(signature) (full name) (if available)

Print location (if available)