

Nur-Sultan

Nur-Sultan: Astana International Financial Centre Authority (AIFC)

History and Governance structure:

AIFC is a large defined zone within the City of Nur-Sultan, where AIFC Participants are located and carry out their business activities. Conceptually, the AIFC is a financial hub for Central Asia, the Caucasus, the Eurasian Economic Union (EAEU), the Middle East, West China, Mongolia and Europe. Members include the Astana International Financial Centre Authority (AIFCA), the Astana Financial Services Authority (AFSA), the AIFC Court, the International Arbitration Centre (IAC), and AIFC Bodies' Organisations (subsidiaries) such as the Bureau for Continuing Professional Development (BCPD), the Fintech Hub, the Astana International Exchange (AIX), the AIFC Business Connect (ABC) and the AIFC Green Finance Centre (GFC). In 2016, Kazakhstan ratified the Paris Climate Agreement, committing to reduce CO2 emissions, as well as to take adaptation measures. In this regard, the AIFC is viewed as one of the leading financial institutions stimulating the transition to a green economy and sustainable development through investment in clean, energy efficient and low carbon projects.

Objectives:

The AIFC aims to:

- To assist bringing investment into the Republic of Kazakhstan by creating an attractive environment within the financial services sphere;
- To develop a securities market in the Republic of Kazakhstan and integrate it with international capital markets;
- To develop insurance markets, banking services, Islamic finance, financial technologies, electronic commerce and innovative projects in the Republic of Kazakhstan;
- To develop financial and professional services based on international best practice; and
- To achieve international recognition as a financial centre.

Priorities for 2020

In the coming year, the AIFC plans to work actively with the Ministry of Ecology, Geology and Natural Resources as well as other stakeholders to develop new environmental code and taxonomy for green projects, to enhance a legislative base for green finance on the AIFC site, and a pilot launch of the first green bond.

3 Highlights, facts or figures

1. For the first time in the region, AIFC experts have developed the concept of cryptocurrency circulation
2. In 2019, AIFC launched the region's unique online dispute resolution system, eJustice.
3. Nur-Sultan is ranked No.1^t in the Eastern Europe and Central Asia region, in the Global Financial Centres Index (GCFI) 2019.
4. Launched in 2018, the Astana International Exchange (AIX), AIFC's stock exchange, raised capital in excess of US\$70 million in less than a year, bringing the gross capital of AIX to about US\$2 billion. As of May 25, 2020, the AIX official list included 53 securities issues of 36 different issuers, including 2 ETFs and 5 ETNs. The AIFC Exchange's trading members are 17 Kazakhstani and 7 international brokers, including the world's largest brokers, such as CITIC, CICC, Shenwan Hongyuan (China), Wood & Co (Czech Republic), SOVA Capital, etc. More than 63.5 thousand investor accounts are opened at the AIFC Central Depository. The listing on AIX included debt securities worth \$ 2.8 billion and private debt securities (private placement) worth \$ 2.2 billion. The volume of attracted share capital is \$ 217 million, which



is 3 times higher than the volume of attracted share capital in Kazakhstan over the past three years. Today (the market value as of May 24, 2020), the total market capitalization of companies listing equity instruments on the AIFC Exchange (Kazatomprom, Polymetal, Halyk Bank of Kazakhstan, Ferro Alloy Resources Limited, Kcell) exceeds \$ 15.4 billion.

5. Designated platform for privatization of national companies.
6. 468 companies authorised (registered) at the AIFC jurisdiction.

News update to be featured:

- *Astana International Exchange (AIX) granted 'recognised stock exchange' by United Kingdom's HM Revenue & Customs (HMRC)*
- *(AIFC) was honored an award Overall BRI project or initiative of the year in Central and East Europe and Central and West Asia region, by Asiamoney, an influential business publication.*
- *Regional leader in Islamic finance according to Global Islamic Finance Awards (GIFA) 2019:*
 - *The award for "Institutional support of Islamic Finance" was received by the AIFC Governor Kairat Kelimbetov.*

Membership of any other sustainable initiatives/networks:

AIFC is a partner to the Climate Bonds Initiative and the Research Centre for Green Finance Development of Tsinghua University.

GFC is a member of the Green Growth Knowledge Partnership.

GFC CEO is a Deputy Director of the Green Finance Cooperation Committee of the Asian Financial Cooperation Association.

International Organization of Securities Commissions (IOSCO),

Basel Committee on Banking Supervision (BCBS),

International Association of Insurance Supervisory Authorities (IAIS),

Islamic Financial Services Council (IFSB),

Organization of accounting and audit of Islamic financial institutions (AAOIFI),

International Financial Consumer Protection Organisation (FinCoNet)

Links to Social Media pages (these will be linked through icons):

<https://www.facebook.com/astanafincentre/>

<https://www.linkedin.com/company/aifckz/>

https://twitter.com/AIFC_KZ

<https://www.instagram.com/aifckz/>

https://t.me/aifc_official

https://www.youtube.com/channel/UCERGq-KZ_SG59RuhaOwseIA/featured

A resource you would like us to include on the FC4S website:

<https://aifc.kz>

Additional reference regarding to AIFC participants:

The largest companies providing financial and support services are China Construction Bank (China), Altyn Bank (Kazakhstan), China Development Bank (China), Paladigm Capital Pte (Singapore), Wood and Co (Czech Republic), Shinhan Investment Corporation (South Korea), Russell Bedford (USA), Renaissance Capital (Cyprus). Among Russian companies, such large players as DO Lukoil are registered, Wildberries - the largest online store, the leading Russian credit rating agency - ACRA, Univer Capital, as well as a supranational organization - the Eurasian Development Bank, uniting countries such as Armenia and Belarus.



Kazakhstan, Kyrgyzstan, Tajikistan and Russia are brokers on the AIFC exchange.