Client Alert

August 2014

New Structure of Kazakhstan's Government

On 6 August 2014 the President of the Republic of Kazakhstan issued Decree on reorganization of the Government (the **"Decree"**).

The Decree envisages integration of ministries or certain authorities of theirs into one ministry, transformation of some agencies into committees at the ministries, as well as integration and liquidation of various committees within the ministries.

As result of the reorganisation, the total number of ministries will be decreased down to 12 ministries (from current 17) and there will be 30 committees instead of 54.

Antimonopoly Regulator

The Agency for Protection of Competition will be abolished. Its authorities will be transferred to the newly established Ministry of the National Economy. The Ministry of Economy and Budget Planning, the Ministry of Regional Development, the Agency on Statistics, the Agency for Regulation of Natural Monopolies and the Agency for Protection of Consumers' Rights will also become part the new Ministry.

Natural Resources Regulators

Authorities of the Ministry of Oil and Gas, the Ministry of Environment and Water Resources, as well as the Ministry of Industry and New Technologies (in part of coal and uranium) will be transferred to the new Ministry of Energy.

The Committee on Geology and Subsoil Use that formerly was within the structure of the Ministry of Industry and New Technologies will form a part of a structure of the Ministry on Investments and Development (successor of the Ministry of Industry and New Technologies). The new Ministry will be responsible for administration of subsoil use in relation to solid minerals (except for uranium and coal).



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Corruption, Economic and Financial Crimes

The Financial Police will also be terminated and its authority to investigate corruption crimes shall be transferred to the newly established Agency on State Service Affairs and Anti-Corruption. Authority to investigate economic and finance breaches will be delegated to the Ministry of Finance.

Ministries which are unaffected by the re-organisation shall remain functioning with minor changes of their powers.

According to the Decree the process of making amendments to the legislation due to reorganization of the Government shall be completed by 1 January 2015.

More detailed information regarding authorities of new ministries will be available after completion of the reorganization.

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