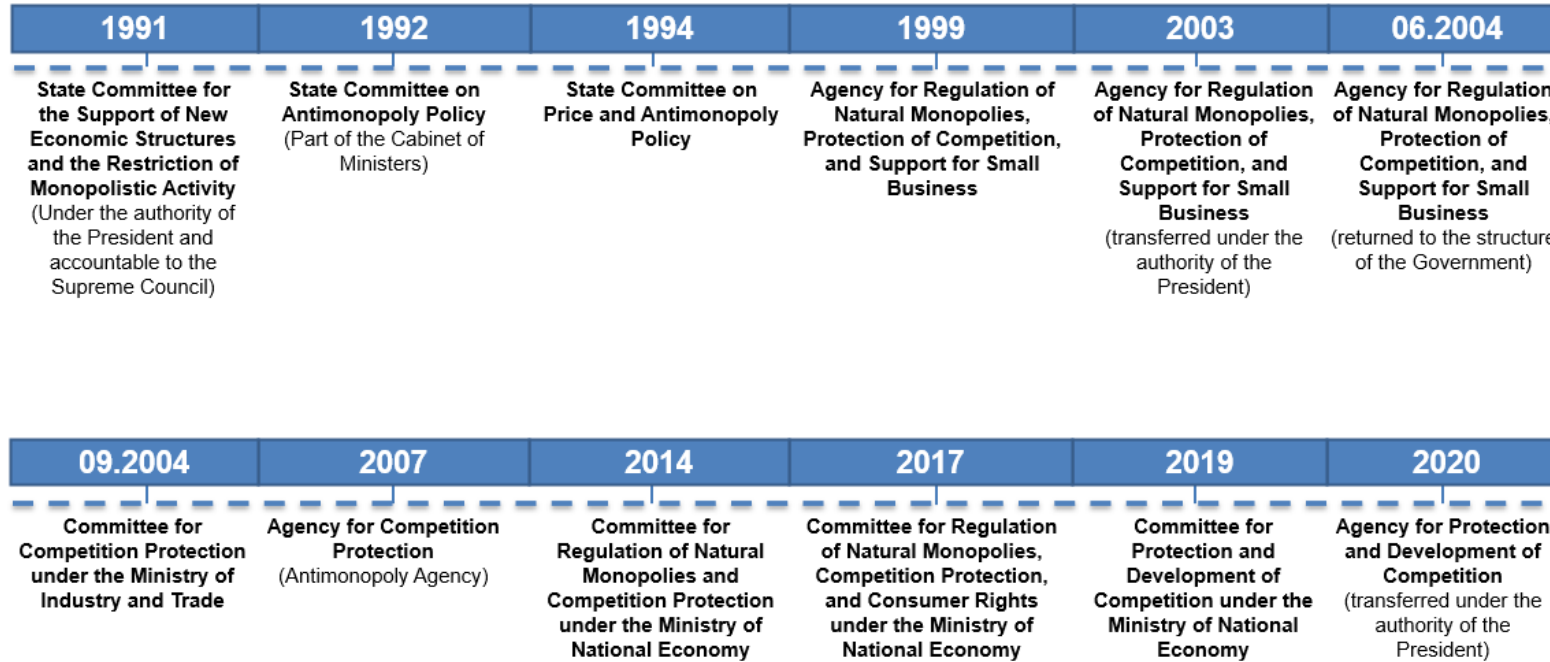


KCA

**Activities in the field of regulating and
overseeing state-owned enterprises**

Seoul, April 2026

Timeline of Institutional Reforms of Kazakhstan's Competition Authority



KCA TRANSFORMATIONS

12 the KCA institutional transformations since 1991

ESTABLISHMENT OF THE AGENCY:

2020 Direct Subordination to the President



KEY PRIORITIES OF STATE POLICY ON COMPETITION DEVELOPMENT

Presidential Decree (2020)



THE CONCEPT FOR PROTECTION & DEVELOPMENT OF COMPETITION

Presidential Decree (2022)



STRATEGIC MEASURES FOR ECONOMIC LIBERALISATION

Presidential Decree (2024)



Pricing in the salt market

- Salt prices increased by **30%** in 2024 and by **16%** in 2025
- An investigation by the KCA revealed that the reported increase in packaging costs was **disproportionate** to the change in salt prices
- The price was reduced from 100 KZT to 86 KZT
- **KZT 500 million** KZT in savings for consumers



Grocery retail

- Markups on socially significant food products (SSFP) up to **50%**; **limited time limits** for liability; **lack of liability** for delays in payment
- Antimonopoly compliance **magnum**
- Reduction of services from 34 to 9 items for suppliers; **elimination of fees** across all egg categories; development of a **Standard Supply Agreement**
- **Cost reduction** for producers and suppliers; decrease in egg prices by up to 20%; **>7 billion KZT** savings for consumers



Tariffs of grain receiving enterprises

- Discriminatory tariffs of grain receiving enterprises
- **23 notices** were issued; **1 investigation** was conducted (for failure to comply with a notice); **1 order** was issued
- **21 enterprises** reduced prices
- **> 470 million KZT** savings for farmers



Deregulation of medicine prices

Stage I:
302 medicines
from January 1, 2023

70% of items: **-11%**

30% of items: **+6%**

Stage II:
952 Medicines
from January, 2025

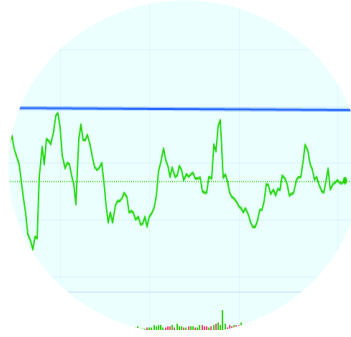
63% of items: **-10%**

1707 Medicines
from July, 2025

37% of items: **+13%**

Stage III: after 2026

All medicines prescription in the commercial segment



Price caps on medicines and medical devices

-26,5% **3 801** items for medicines (wholesale and retail)

-22,5% **1 392** items for medicines (within the GAFMC and the CSHI system)

-12,2% **1 740** INN items (within the GAFMC and the CSHI system)

New methodology:

Markups reduced from 55% to 30%; marketing and transportation costs excluded

No price caps with increases.



Deregulation of prices for petroleum products

(up to 4 KZT monthly)

January 2025

August 2025

92 RON Gasoline

205
KZT/litre

207-229 KZT/l

Diesel fuel

295
KZT/litre

307-323 KZT/l

92 RON Gasoline: lagging behind the schedule by up to **11.2%** (233 KZT/l)

Diesel fuel: lagging behind the schedule by up to **5%** (323 KZT/l)

1 The continued dominance of state involvement:



> 55% state share in goods production,
> 44% state share in services



6,3 thousand quasi-public sector entities operate,
present in at least 20 out of 30 sectors of the economy
(in the OECD countries ~13)



> 20 trillion KZT – debt obligations of the quasi-public sector:

- Samruk-Kazyna group: over 10 trillion KZT,
- Baiterek group: over 8.1 trillion KZT,
- other entities: over 2 trillion KZT.

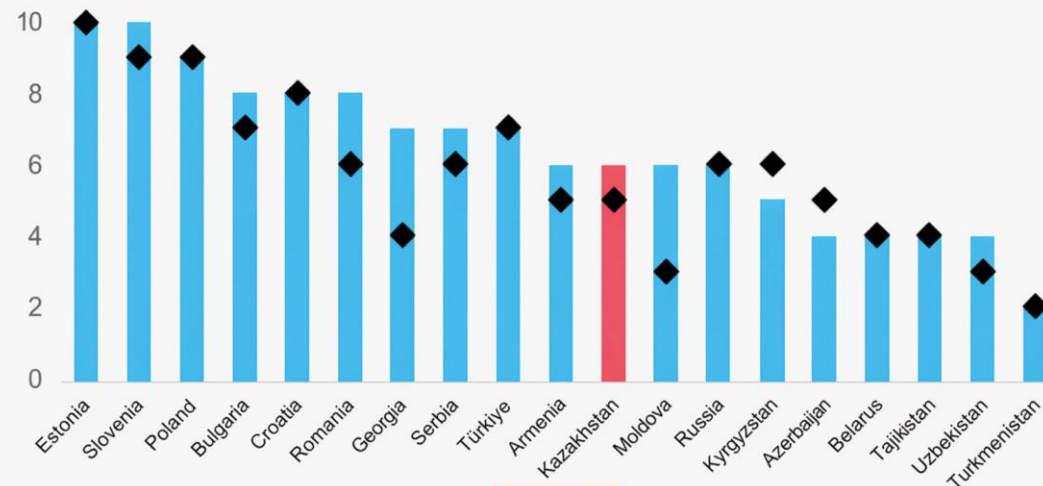
depreciation of core equipment:

> 50% in the energy sector, > 70% in gas transportation infrastructure

2 Inefficiency of quasi-public sector entities and their management:

**3 Low scores in the Bertelsmann Transformation Index*
Market competition 2006–2022**

(BTI Transformation Index), score (min=1, max=10)



State ownership is the aspect of the competitive environment with the lowest scores among these countries, including Kazakhstan*



* - World Bank, Europe and Central Asia Economic Update, Spring 2024



“The document should focus on 3 areas: development of market competition, implementation of effective privatisation, and reform of the quasi-public sector.”

K.K. Tokayev

Ensuring freedom of entrepreneurship in the Republic of Kazakhstan:



1. DEVELOPMENT OF COMPETITION



2. REDUCTION OF STATE PARTICIPATION IN THE ECONOMY



3. REDUCTION OF BUSINESS COSTS

Key directions of the Decree:



Large-scale and accelerated **reduction of the state sector's share** in the economy



Ensuring equal conditions and opportunities for all economic entities in conducting business activities, as well as exercising the state's right to prevent anti-competitive practices;



Improving conditions that ensure **fair competition** in financial markets;



Enhancing the autonomy, quality, and independence of corporate governance of **JSC 'Samruk-Kazyna' National Welfare Fund**;



Non-interference of state and law enforcement bodies in lawful entrepreneurial activity.

<p>1 1991-1995</p>	<p>2 1996-1999</p>	<p>3 2000-2010</p>	<p>4 2011- present</p>
<p>Methods: direct sales, auctions; Objects: small enterprises and retail outlets; Goals: creation of private entrepreneurs</p>	<p>Methods: direct sales to investors; Objects: large industrial enterprises; Goals: attracting strategic investors</p>	<p>Methods: international tenders, IPOs; Objects: energy, transport infrastructure, housing and utilities; Goals: attracting capital, improving management quality</p>	<p>Methods: share sales via stock markets, concessions; Objects: major quasi-public entities, transport, energy, finance; Goals: increasing competitiveness, improving corporate governance</p>

SHORTCOMINGS OF THE PREVIOUS PRIVATISATION (277 assets excluded in 2021–2023)

- 1 LACK OF GOALS AND OBJECTIVES FOR STATE PARTICIPATION**

no clear understanding of where the state should participate, no clarity on which assets should be privatised
- 2 RESIDUAL PRINCIPLE OF PRIVATIZATION**

Unnecessary assets for the central and local government bodies be added to the list of privatisation, rather than those of interest to investors
- 3 FAILURE TO CREATE CONDITIONS FOR THE SUCCESSFUL OPERATION OF PRIVATISED ASSETS”**

debts, unprofitability, strict regulatory policy, staff retention and field of activity

KEY DIFFERENCES IN APPROACHES TO CURRENT PRIVATISATION

MASS PRIVATISATION

- inclusion of investment-attractive and economically justified assets in the privatisation plan
- elimination of the ‘residual principle’ approach
- possibility of privatisation upon application by an entrepreneur
- transparency and openness (involvement of experts, media, and Mazhilis deputies from all factions)

ENSURING MARKET AND ENTERPRISE READINESS

- creating conditions for the successful operation of privatised assets
- restructuring debt obligations
- increasing profitability
- state support
- changes in regulatory policy

APPROVAL OF THE LIST BY THE SUPREME COUNCIL FOR REFORMS

- new status of the comprehensive privatisation plan
- no direct possibility of removing enterprises from the privatisation plan

Opening and first meeting of the Office



Methodology and Algorithms



OFFICE REGULATIONS AND PROCEDURES

- ✓ Establishment of the Office *by Order of the KCA dated May 28, 2024*
- ✓ Approved documents: *Regulations, Procedures, Analytical Methodology, Work Plan*
- ✓ Composition: *Ministers, Members of the Mazhilis, Heads of Agencies, Experts, Atameken NCE*
- ✓ Analysis and compilation of the list of assets for privatisation
- ✓ Decision by the Commission on demonopolisation of the economy
- ✓ Submission of results to the Supreme Council for Reforms and inclusion in the Privatisation Plan

APPROACHES TO STATE PARTICIPATION IN THE ECONOMY ESTABLISHED BY THE DECREE

SUBSIDIARY ROLE

creation of supply in case of unmet demand (market failure)

TEMPORARY NATURE OF PARTICIPATION

mandatory privatisation, except for strategic and social assets

DEFINED OBJECTIVES

Launch of production, achievement of production targets, job creation, etc.

Objective of State participation: ESTABLISHMENT OF A NEW ECONOMIC ENTITY

MAIN CRITERIA FOR PRIVATIZATION OF STATE ASSETS

STATE READINESS

no prohibition on privatisation (strategic and social assets)

MARKET READINESS

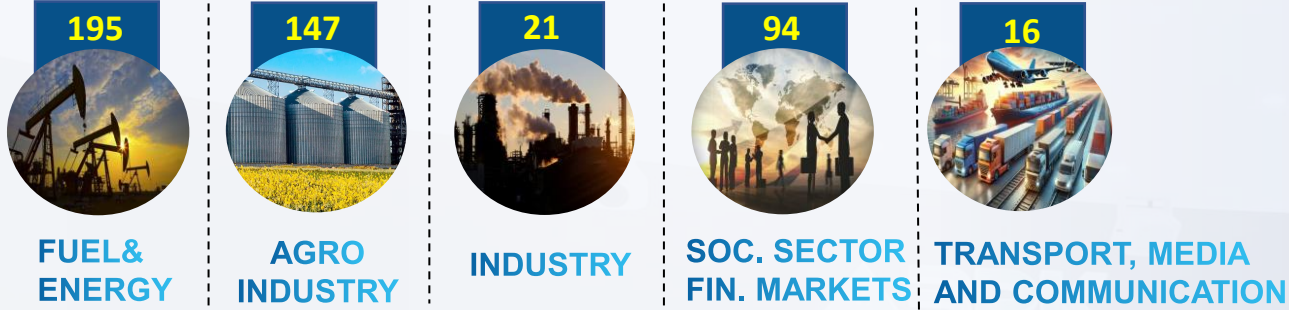
sufficient demand, developed private sector and competition, balanced regulatory policy

ENTERPRISE READINESS

achievement of initial objectives, financial sustainability, absence of excessive social and other obligations

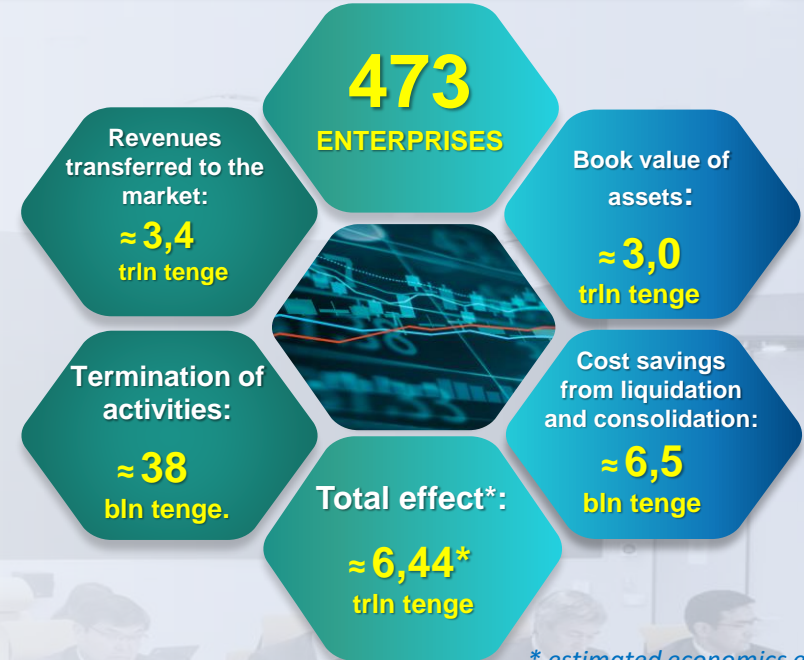
Objective of Privatisation: IMPROVING EFFICIENCY OF THE ECONOMIC ENTITY

Approved list (by sectors):



473 enterprises (Government Resolution No. 894 dated October 24, 2025)

Economic effect*:



PLANS FOR 2026

Analysis of the uncovered sectors

IT, SPCs, geology, oilfield services, construction, etc.

Analysis of enterprises with share below 50%

Operation of more than 250 enterprises (with state ownership below 50%)

Roadmaps by assets

Ensuring market readiness through regulatory and legislative adjustments (including social and strategic assets)

Privatisation of assets

Privatisation of asset holdings (beyond core enterprises)

Monitoring of privatisation progress

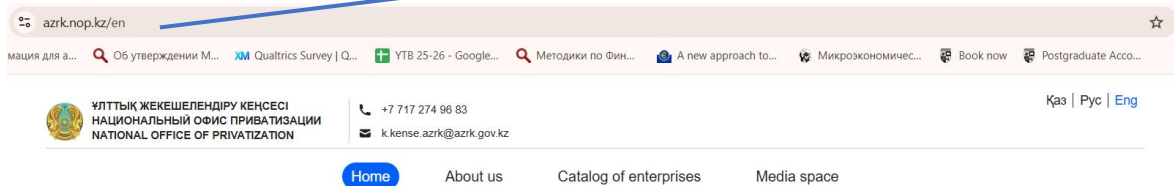
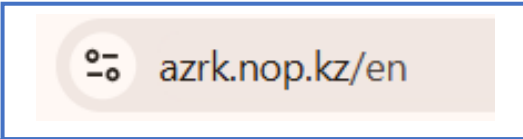
Hearings of government agencies and organisations

Quarterly reviews of government bodies and organisations

(stage of implementation, key challenges)

WEBSITE OF THE NATIONAL OFFICE OF PRIVATISATION

URL



APPLICATION FOR PRIVATIZATION FROM AN ENTREPRENEUR

Submit application



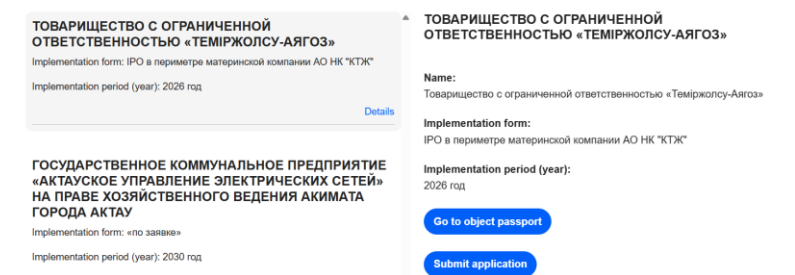
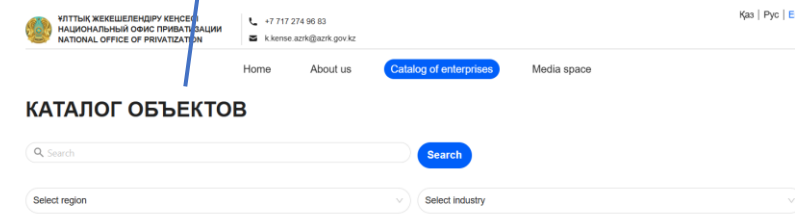
NEWS



Submit application

ENABLING ENTREPRENEUR-INITIATED PRIVATISATION

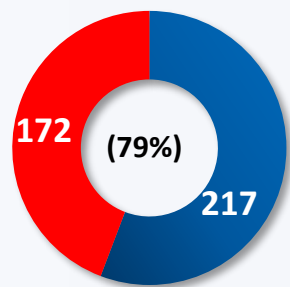
Publication of key decisions and all relevant information



Enterprises by regions

MONITORING OF ACTIVITIES

Activities of 20 companies were analysed:
Kazakhtelecom (6), KazNISA, KazdorNII, Park of Innovative Technologies (12).



Total number of activities

Not approved

13 orders

Regions:

1 112 entities

400 orders

359 fulfilled

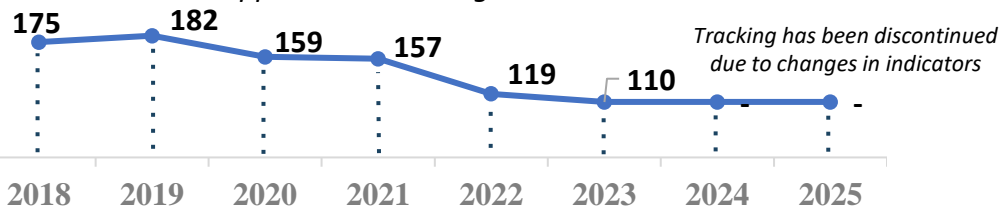
Plans for 2026

12

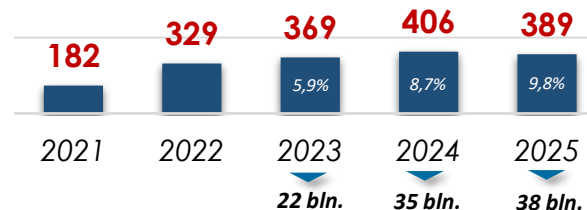
companies of
JSC NAC
"Kazatomprom"

STATE ASSIGNMENT MECHANISM

Approved state assignments



Total amount, bln tenge/year



Transferred to subcontracting **38 billion tenge** or **9,8%**

THE LIST № 1095

No	Activity	NACE(OKЭД)
1	Dentistry
2	Oil extraction

No	Activity	NACE	Ownership	Entity	Region	Deadline
1	Dentistry	...	State	State enterprise	Kazakhstan	Post 2025
2	Oil extraction	...	National holding	Ozenmunaigaz	Atyrau	2025

Suggested **42 NACE**
Excluded **8 NACE**

OBJECTIVE:
Establishing time limits and operational boundaries for each enterprise

State register

- **18** entities of state monopoly
- **25** entities holding special right
- **9 entities with special rights included in the State register:** JSC “Kazakh Center”, JSC “Til-Dam” named after Akhmet Baitursynuly, RSE on REM “National Center for the Quality of Road Assets”, JSC “Labor Resources Development Center”, JSC “Financial Center”, JSC “National Center for State Scientific and Technical Expertise”, RSE on REM “Republican Center for Electronic Healthcare”, JSC NC “KazAvtoZhol”, RSE on REM “KazStandard”

Control Of Restrictions

- **18 price examinations** conducted for services of entities under state monopoly and special rights
- **291 goods, works and services** (prices) over **8 billion tenge in** budget savings achieved

Orders issued:

- 1) Ministry of Digital Development — recognition of mobile device verification as a state monopoly activity
- 2) National Center for the Quality of Road Assets — termination of road passportization works
- 3) “Taldau” named after A. Baitursynuly — termination of domain name registration activities

Reduction of Operators

Within the framework of the **6th Antimonopoly Package**, legislative functions of the following operators are being eliminated:

1. Operator of metering devices in the production of ethyl alcohol and alcoholic products — JSC “Information and Accounting Center”
2. Operator of metering devices in the production and circulation of petroleum products — JSC “Information and Accounting Center”
3. Operator of the unified information system for mandatory technical inspection of vehicles and trailers — JSC “KazAvtoZhol”
4. Operator of the space communication system — JSC “Republican Center of Space Communications”
5. Operator of the high-precision satellite navigation system — JSC “Kazakhstan Gharysh Sapary”
6. Formation and maintenance of the technical regulation register — RSE “National Accreditation Center”

Legislative work is underway to strengthen state control over restrictions under the Code

**THANK YOU FOR YOUR
ATTENTION!**

