On procurement by certain quasi-public sector entities

Unofficial translation

Law of the Republic of Kazakhstan № 47-VII dated June 8, 2021.

Unofficial translation

Note!

Footnote. Throughout the text, the words "information system," shall be replaced with the words "digital system" in accordance with the Law of the Republic of Kazakhstan dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication).

Article 1. Scope of application of this Law

1. This Law regulates the relations connected with the acquisition of goods, works and services necessary for the functioning as well as the performance of the statutory activities of national management holdings, national holdings, national companies and organisations, fifty percent or more of the voting shares (participation shares in the authorised capital) of which are directly or indirectly owned by the national management holdings, national holding companies, national companies, as well as social entrepreneurial corporations, except for legal entities, fifty percent or more of the voting shares (participation shares in the authorized capital) of which are directly or indirectly owned by the national managing holding company, national holding company, national companies, transferred for trust management to individuals or non-governmental legal entities with the right to subsequent redemption (hereinafter, “certain quasi-public sector entities”).

2. This Law shall not apply to cases:

1) the purchase of services from natural persons under employment contracts or from natural persons who are not business entities under contracts for paid services, including the services of private notaries, lawyers and bailiffs;

2) contributing membership fees (contributions), including to the share capital of legal entities;

3) acquisition of blocks of shares, participatory interests in the charter capital (hereinafter referred to as “participatory interests”) of legal entities;

4) remuneration to members of the management body and the supervisory board, compensation or payment of expenses (travel and accommodation, subsistence allowance) related to the performance of the duties of members of the management body and the supervisory board;

5) acquisition of goods, works and services carried out in compliance with international treaties of the Republic of Kazakhstan, as well as within the framework of investment

projects financed by international organisations of which the Republic of Kazakhstan is a member;

6) acquisition of financial services related to banking operations conducted by the National Bank of the Republic of Kazakhstan, banks and organisations conducting certain types of banking operations under licenses obtained in obedience to the legislation of the Republic of Kazakhstan, and services of other participants in the securities market, broker and /or dealer services, custodial services, acquisition of services for connection, maintenance and use of the financial automated information transport system, services of the international interbank information transmission and payment system, including those related to receipt of bank statements and information services provided by the stock exchange operating on the territory of the Republic of Kazakhstan, services of second-tier banks of the Republic of Kazakhstan and/or international (foreign) banks, legal advisers, financial advisers, external audit and/or appraisal organisations for the issue of comfort letters, investor trustee, payment transfer agents, registrars, procedural, arbitration and other services necessary for the customer's organization of borrowing, including the issue and repurchase of securities, debt management and investment (treasury) portfolio, services provided by information and analytical systems of leading international financial information providers, as well as the purchase of the above services in securitisation transactions as originator and (or) lender under the Law of the Republic of Kazakhstan “On Project Financing and Securitisation”;

7) payment of fees and charges levied at the seaport;

8) hospitality, travel expenses and the purchase of services related to travel expenses;

9) acquisition by the national holding company of the services of an international insurance company specialising in export credit insurance;

10) purchase of a unified securities registrar and securities transaction services;

11) the purchase of financial instruments, including securities, in treasury operations involving the placement of temporarily available funds;

12) acquisition of attorney (agent) services within the framework of legal relations for the provision of a state guarantee, return of funds from the national budget diverted in the case of performance of obligations under the state guarantee, in compliance with the budgetary legislation of the Republic of Kazakhstan;

13) acquisition by the national company in the agricultural sector of agricultural products and processed products, as well as services for their storage, processing, transportation, carried out in obedience to the legislation of the Republic of Kazakhstan;

14) acquisition of socially important foodstuffs into regional food commodity stabilisation funds carried out in compliance with the legislation of the Republic of Kazakhstan;

15) acquisition of financial leasing services and (or) the acquisition of goods for the subsequent transfer to leasing in the carrying out leasing activities, as well as goods, works and services directly related to the acquisition, supply and bringing of a leasing subject to working condition;

15-1) payment of current, accumulative, target contributions and current contributions for the maintenance of parking spaces, storage rooms in accordance with the Law of the Republic of Kazakhstan "On Housing Relations";

16) procurement within the framework of agreements aimed at developing industry concluded in accordance with the Law of the Republic of Kazakhstan “On Industrial Policy”;

17) procurement of goods, works, services within the framework of the implementation of transactions on Islamic financing, including with organizations registered in the territory of foreign states;

18) related to the acquisition of goods, works and services by an authorized company, engaged in facilitating shared construction of an apartment building and (or) a complex of individual residential buildings, upon the occurrence of a warranty event in accordance with the legislation of the Republic of Kazakhstan on shared participation in housing construction.

Footnote. Article 1 as amended by the Law of the Republic of Kazakhstan dated 27.12.2021 № 87-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); dated 01.07.2024 № 107-VIII (effective from 01.01.2025); dated 15.07.2025 № 207-VIII (shall come into effect upon expiry of sixty calendar days after the date of its first official publication); dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication).

Article 1-1. Purpose and Objective of this Law

1. The purpose of this Law shall be to ensure the achievement of the strategic goals of public administration, and the tasks and functions of the state in accordance with the policy pursued in the field of procurement of individual entities of the quasi-public sector.

2. The objective of this Law shall be to create a legal basis for procurement entities of individual entities of the quasi-public sector for the effective management of public finances and the budget through the principles of procurement provided for by this Law.

Footnote. The law has been supplemented Article 1-1 in accordance with the Law of the Republic of Kazakhstan dated 01.07.2024 № 107-VIII (shall come into effect upon expiry of sixty calendar days after the date of its first official publication).

Article 2. Basic concepts used in this Law

The following basic concepts shall be used in this Law:

1) pre-qualification is the process of assessing potential suppliers against the qualification requirements set out in the procurement rules;

2) inaccurate information - false information contained in the application of a potential supplier or supplier for participation in procurement methods of tender, auction, single source and request for quotation, as well as made by corrections that distort the actual content of the documents and do not correspond to the submitted application of the potential supplier or supplier;

3) a potential supplier - a natural person engaged in entrepreneurial activities, a legal entity (except for public institutions, unless otherwise provided for by the laws of the Republic of Kazakhstan), a consortium applying for the conclusion of a procurement contract;

3-1) affiliate of a potential supplier – any individual or legal entity entitled to determine decisions and/or influence decisions made by this potential supplier, including by virtue of a transaction concluded in writing, as well as any individual or legal entity in respect of which this potential supplier has such a right;

4) types of similar goods - not interchangeable similar goods;

5) homogeneous goods, works, services - goods, works, services which, although not identical, have similar characteristics and consist of similar components, enabling them to perform the same functions;

6) works - activities having a tangible result, as well as other activities classified as work in obedience to the laws of the Republic of Kazakhstan;

7) conciliation commission - a permanent collegial body that considers appeals of potential suppliers who have evaded the conclusion of a contract and are included in the register of unfair procurement participants or the list of unreliable potential suppliers (vendors) of the Fund. The composition, working and decision-making procedure of the conciliation commission shall be determined by the procurement rules. The conciliation commission shall necessarily include representatives of the National Chamber of Entrepreneurs of the Republic of Kazakhstan, branch associations (unions) accredited in the National Chamber of Entrepreneurs of the Republic of Kazakhstan;

8) services - activities aimed at satisfying the needs of the customer, with no tangible result;

9) organisations of the Fund - legal entities, fifty percent or more of the voting shares (participatory interests) of which are directly or indirectly owned by the Fund on the right of ownership or trust management. Indirect ownership means ownership of fifty percent or more of the voting shares (participatory interests) of another legal entity by each successive legal entity on the right of ownership or trust management;

10) an off-take contract - a contract concluded between a customer and a supplier for the supply of goods that the supplier plans to produce and ensure their delivery in the future, under pre-agreed terms of value, quantity (volume) and delivery dates;

11) procurement - the purchase of goods, works and services by customers on a fee basis in obedience to the procedure prescribed by this Law and the procurement rules;

12) procurement web portal – a digital system that facilitates electronic procurement in accordance with this Law and the procurement rules;

13) procurement participant – a customer, procurement organizer, potential supplier, supplier and operator of the digital electronic procurement system;

14) a centralised procurement control service - a service of a national management holding company, a national holding company, a national company other than a national

company in which the national management holding company or national holding company is a shareholder, and a service of a socio-entrepreneurial corporation;

15) procurement rules - depending on the scope of the regulated relationship:

for certain quasi-public sector entities other than the Fund and the Fund's organisations - a legal act determining the procedure for procurement by certain quasi-public sector entities other than the Fund and the Fund's organisations, approved by the authorised procurement body;

for the Fund and the Fund's organisations - the procurement procedure for the Fund and the Fund's organisations, approved by decision of the Board of Directors of the Fund in agreement with the authorised body in the field of procurement and the authorised body in the field of competition protection and restrictions on monopolistic activities (hereinafter - the procurement procedure for the Fund);

16) procurement organiser: an official or organisational unit of the customer or a legal entity designated as responsible for the implementation of the organisation and conduct of procurement procedures;

17) procurement expert commission: a collegial body established by the organiser of the procurement or the customer with the involvement of experts to participate in developing the terms of reference and (or) the technical specification of the goods, works and services to be procured and (or) preparing an expert opinion on the compliance of potential suppliers' offers with the technical specification of the goods, works and services to be procured;

18) procurement expert: a natural person with special and/or relevant technical knowledge , experience and qualification in the field of procurement, confirmed by relevant documents (diplomas, certificates, certificates and other documents), engaged by the organiser of the procurement or the customer to participate in the development of the terms of reference and (or) the technical specification of the goods, works and services to be procured and (or) the preparation of an expert opinion on the compliance of potential suppliers' offers with the technical specification of the goods, works and services to be procured;

19) procurement authority - the central executive body responsible for the management as well as inter-sectoral coordination of procurement of certain quasi-public sector entities;

20) procurement contract (hereinafter referred to as “contract”) - a civil law contract concluded in obedience to this Law, the civil legislation of the Republic of Kazakhstan and the procurement rules;

21) customers - certain quasi-public sector entities;

22) goods - items (things), including semi-finished or raw materials in solid, liquid or gaseous state, electric and thermal energy, objects of intellectual property rights, as well as proprietary rights, with which purchase and sale transactions can be made in accordance with the laws of the Republic of Kazakhstan;

23) Tender Commission (Auction Commission) – a collegial body established by the organiser of the procurement or the customer to carry out the procurement procedure by means of a tender (auction);

24) National Welfare Fund (hereinafter referred to as the Fund) is a national management holding company;

25) electronic store – a digital system, integrated with the web portal of procurements that facilitates procurements in accordance with the procurement rules;

26) operator of the digital electronic procurement system – depending on the scope of relations:

for certain quasi-public sector entities, other than the Fund and the Fund's organisations, the legal person(s) designated by the authorised procurement body, the powers of which are determined in the procurement rules;

for the Fund and the Fund's organisations - a legal person determined by the Fund, the powers of which are defined in the Fund's procurement procedures.

Footnote. Article 2 as amended by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); dated 01.07.2024 № 107-VIII (effective from 01.01.2025); dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication).

Article 3. Legislation of the Republic of Kazakhstan on procurement by quasi-public sector entities

1. Legislation of the Republic of Kazakhstan on procurement by certain quasi-public sector entities is based on the Constitution of the Republic of Kazakhstan and consists of the provisions of the Civil Code of the Republic of Kazakhstan, this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. The rules of the international treaty shall apply if an international treaty ratified by the Republic of Kazakhstan establishes rules other than those stipulated in this Law.

3. Procurement by individual entities in the quasi-public sector shall be performed in line with the requirements of the Law of the Republic of Kazakhstan “On Industrial Policy”.

Footnote. Article 3 as amended by Law of the Republic of Kazakhstan № 188-VIII of 19.05.2025 (shall enter into force upon expiry of sixty calendar days after the day of its first official publication).

Article 4: Principles of Procurement

Procurement shall be based on the principles of:

1) optimal and efficient use of the money used for procurement;

2) openness and transparency of the procurement process, while respecting suppliers' rights and/or legitimate interests in commercial confidentiality (before the tender results are finalized);

3) fair competition among potential suppliers, avoiding collusion between bidders;

4) responsibilities of procurement participants;

5) preventing corrupt practices;

6) providing support to Kazakhstani commodity producers, producers of works and services to the extent that this does not contradict international treaties ratified by the Republic of Kazakhstan;

7) acquisition of innovative and high-tech goods, works and services;

8) providing potential suppliers with an equal opportunity to participate in the procurement procedure, except as provided for in this Law;

9) respect for the intellectual property rights contained in the goods procured.

Footnote. Article 4 as amended by Law of the Republic of Kazakhstan № 188-VIII of 19.05.2025 (shall be enacted upon expiry of ten calendar days after the day of its first official publication).

Article 5. Procurement process

1. The procurement process shall include:

1) developing and approving a procurement plan (preliminary, annual, long-term ones);

2) selecting and contracting a supplier;

3) contract execution.

2. The procurement process may also include procedures for the management of procurement categories and inventory management in accordance with procurement rules.

3. Procurements shall be made via the web-based procurement portal, except as provided for in Article 18 of this Law.

Article 6. Procurement planning

1. Procurement planning shall be based on relevant business plans and (or) budgets, and (or) development plans, and (or) repair plans, and (or) production programmes, and (or) investment programmes, and (or) contracts for the fulfilment of the state assignment.

2. Procurement plan (preliminary, annual, long-term one) shall be published on the procurement web portal.

3. The customer, organizer of procurement shall divide heterogeneous goods, works and services into lots pursuant to their homogeneity, homogeneous goods - by types of homogeneous goods and by places of delivery, homogeneous works, services - by place of their performance, provision, except for cases provided for in the procurement rules.

4. Price planning for a list of identical goods shall be carried out within the price tolerance determined by:

1) for certain quasi-public sector entities, other than the Fund and the Fund's organisations , in obedience to the procurement rules;

2) for the Fund and the Organisations of the Fund - in the manner determined by the Fund .

The list of identical goods for certain quasi-public sector entities other than the Fund and the Fund's organisations shall be determined by the authorized procurement body.

The list of identical goods for the Fund and the Fund's organisations shall be determined by the Fund.

5. The procedure and deadlines for developing, approving and amending the procurement plan shall be set out in the procurement rules.

Footnote. Article 6 as amended by the Law of the Republic of Kazakhstan dated 30.12.2021 № 95-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Article 7. Restrictions on participation in procurement

1. A potential supplier may not participate in an ongoing procurement if:

1) the potential supplier or its subcontractor (co-contractor) or consortium member is on the register of unfair participants in public procurement and/or on the list of unfair potential suppliers (vendors) of the Fund and/or on the list of debtors in respect of whom a court decision on declaring them bankrupt has entered into legal force;

2) a potential supplier and (or) a subcontractor (co-executor) engaged by him, and (or) their head, and (or) founders (shareholders) are included in the list of organizations and persons related to the financing of terrorism and extremism, or in the list of organizations and persons related to the financing of the proliferation of weapons of mass destruction, in accordance with the procedure established by the Law of the Republic of Kazakhstan "On countering the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction";

3) a potential supplier is a legal entity whose place of registration is a state or territory included in the list of states with preferential taxation approved by the competent public authority responsible for ensuring the receipt of taxes and other mandatory payments to the budget.

2. No contract shall be awarded to potential suppliers referred to in paragraph 1 hereof.

3. A potential supplier and an affiliate of a potential supplier shall not be entitled to participate in one lot in procurement by tender, auction, request for pricing quotations.

Footnote. Article 7 as amended by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); № 71-VIII of 06.04.2024 (shall enter into force sixty calendar days after the date of its first official publication); dated 01.07.2024 № 107-VIII (effective from 01.01.2025); dated 19.09.2025 № 219-VIII (effective sixty calendar days after the date of its first official publication).

Article 8. Qualification requirements for a potential supplier

1. The qualification requirements for a potential supplier shall be determined in compliance with the procurement rules.

2. The potential supplier shall submit the relevant documents required by the procurement rules to demonstrate its qualifications.

3. The potential supplier - non-resident of the Republic of Kazakhstan in confirmation of its compliance with the qualification requirements established by the procurement rules shall submit the same documents as residents of the Republic of Kazakhstan, or documents confirming similar information on the qualifications of the potential supplier - non-resident of the Republic of Kazakhstan.

Article 9: Consequences for a potential supplier or vendor providing inaccurate information

1. Potential suppliers or suppliers who have provided inaccurate information during the procurement process shall be included in the register of unfair procurement participants, the list of unreliable potential suppliers (vendors) of the Fund as determined in the procurement rules.

2. The credibility of the information provided by a potential supplier or vendor may be ascertained by the customer, the organiser of the procurement, the centralised procurement control service, the authorised procurement body or the state audit and financial control authorities at any stage of the procurement process.

3. The Centralised Procurement Monitoring Service, the authorised procurement body or the state audit and financial control authorities, which have established that the potential supplier or supplier has provided inaccurate information, shall notify in writing of this fact no later than five working days from the day on which such fact is established:

1) the customer, if such a fact is established after summing up the results of the procurement;

2) the customer, the organizer of the procurement, if such a fact is established before summing up the results of the procurement.

The written notification must be accompanied by copies of the documents proving this fact.

Article 10. Register of unfair procurement participants

1. The register of unscrupulous procurement participants is formed in the digital electronic procurement system.

2. The register of unfair procurement participants shall be a list of:

1) potential suppliers identified as winners but who have avoided the contract;

2) potential suppliers or suppliers who have provided inaccurate information on the qualification requirements and (or) documents affecting the tender offer;

3) suppliers who have failed to fulfill or improperly fulfilled their contractual obligations.

In the case referred to in sub-paragraph 1) of part one of this paragraph, the customer shall send information on such potential supplier to the centralised procurement control service within ten working days from the date on which the potential supplier refuses to conclude the contract.

In the case referred to in sub-paragraph 2) of part one of this paragraph, the customer, the organiser of the procurement shall file a claim with a court to have such potential supplier or

supplier declared an unfair participant in the procurement no later than thirty calendar days from the day when they became aware of the violation.

In the case referred to in sub-paragraph 3) of part one of this paragraph, the customer shall be obliged to take legal action to declare such supplier an unfair participant in the procurement not later than thirty calendar days from the day when it/he/she became aware of the supplier's breach of contract, unless the supplier pays a forfeit (fine, penalty) and fully performs its contractual obligations.

3. The conciliation commission shall consider the application of the potential supplier and take a decision on early removal or refusal of early removal of the potential supplier from the register of unfair participants in procurement.

4. The register of unfair participants in procurement shall be formed based on:

a decision by the centralised procurement control office in the case provided for in sub-paragraph 1) of part one of paragraph 2 hereof;

a legally enforceable court judgement in the cases provided for in sub-paragraphs 2) and 3) of part one of paragraph 2 hereof.

5. Potential suppliers included in the register of unfair participants in procurement on the ground provided for by sub-paragraph 1) of part one of paragraph 2 hereof shall be prohibited to participate in procurement for twenty-four months from the date of the decision to declare them unfair participants in procurement.

Potential suppliers or suppliers included in the register of unfair participants in procurement on the grounds provided for in sub-paragraphs 2) and 3) of part one of paragraph 2 hereof shall be prohibited to participate in procurement for twenty-four months from the date of entry into legal force of the court decision declaring such potential suppliers or suppliers to be unfair participants in procurement.

Grounds for removal from the register of unfair procurers shall be:

1) the expiry of the period set out in parts one and two of this paragraph;

2) a valid judicial decision overturning a decision declaring a prospective supplier or supplier to be an unfair procurer;

3) the conciliation commission's decision to remove a potential supplier from the register of unfair suppliers.

6. A decision to include a potential supplier or supplier on the register of unfair participants in a procurement may be appealed against in obedience to the legislation of the Republic of Kazakhstan.

Footnote. Article 10 as amended by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication).

Article 11. Modalities of procurement

1. Procurement shall be carried out in the following ways:

1) tender;

2) auction;

3) budget enquiry;

4) from a single source;

5) excluded by the Law of the Republic of Kazakhstan dated 01.07.2024 № 107-VIII (effective from 01.01.2025);

6) through e-shop;

7) Excluded by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

2. The procedure for procurement by the means provided for in paragraph 1 hereof shall be governed by the procurement rules.

3. Procurement by the means provided for in sub-paragraphs 1) and 3) of paragraph 1 hereof may be carried out with a pre-qualification process in compliance with the procurement rules.

4. Procurements in the manner provided for in sub-paragraph 2) of paragraph 1 hereof shall not apply when the Fund and the organisations of the Fund carry out procurements.

5. Excluded by the Law of the Republic of Kazakhstan dated 01.07.2024 № 107-VIII (effective from 01.01.2025).

6. Excluded by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

7. The method of procurement shall be determined by the purchaser in obedience to this Law, the procurement rules.

8. The following shall be prohibited in procurement:

1) when the tender documents (auction documents) establish qualification requirements for potential suppliers that are not provided for in the procurement rules, or when the tender documents (auction documents) or the information to be posted, when carrying out procurement by request for quotations, specify the characteristics determine whether the goods, works or services to be purchased belong to certain potential suppliers, except for cases:

procurement of goods, works and services for the completion, retrofitting, unification or compatibility with existing goods, works and services, as well as for further technical support, maintenance and repair, including scheduled repairs (if necessary), of the main (installed) equipment;

unless otherwise stipulated in the procurement strategy developed and approved in compliance with the Fund's procurement procedures;

the purchase of goods, works and services to fulfil the customer's obligations under the contract concluded by it as a supplier with a non-resident of the Republic of Kazakhstan, and

the existence in this contract of appropriate references to trademarks, service marks, trade names, patents, utility models, industrial designs, name of place of origin of goods and name of manufacturer, as well as other information and (or) documents that determine whether the goods, works, services purchased belong to a particular potential supplier or not;

purchases by producers of petroleum products and petrochemicals of the following goods:

process equipment and auxiliary materials (catalysts, reagents, special additives) for process units, spare parts and lubricants for the process equipment in operation as per technical documentation from the manufacturer of such process equipment;

used in the operation of technological plants under licence agreements;

2) refusal to carry out procurement in cases not covered by the procurement rules;

3) a potential supplier and/or subcontractors for work or co-contractors for services are found to be non-compliant with the qualification requirements and/or requirements of the tender documents (auction documents) on grounds not provided for in the procurement rules;

4) non-division of heterogeneous goods, works and services into lots based on homogeneity, homogeneous goods - by type of homogeneous goods and by place of delivery, homogeneous works, services - by place of performance, except for cases stipulated by the procurement rules;

5) preparation of a knowingly false expert opinion by a procurement commission or a procurement expert, on the basis of which an unlawful decision was taken by the tender commission (auction commission);

6) single-source procurement in cases not covered by the procurement rules;

7) requiring a potential supplier to submit documents that are not required by the tender documents.

Footnote. Article 11 as amended by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); № 71-VIII of 06.04.2024 (shall be enacted sixty calendar days after the date of its first official publication); dated 01.07.2024 № 107-VIII (effective from 01.01.2025).

Article 12. Conclusion and execution of the contract

1. The contract shall be concluded and executed in obedience to this Law, the civil legislation of the Republic of Kazakhstan and the procurement rules.

2. Liability for non-performance or improper performance of contractual obligations must be provided for the parties to the contract on a parity basis.

The contract shall contain provisions for full payment for the supply of goods, works or services within a period not exceeding thirty working days from the date of performance of the obligations under the contract.

3. The draft contract or the concluded contract may be amended by mutual agreement of the parties in cases provided for in the procurement rules.

4. No amendments may be made to the draft contract or the concluded contract that may change the content of the conditions of the ongoing (conducted) procurement.

5. Offtake contracts shall be entered into by the Fund and the Fund's organisations in compliance with the procedure determined by the Fund.

No unilateral changes to an existing off-take contract shall be made to reduce the scope of the procurement and the price of the contract.

Footnote. Article 12 as amended by the Law of the Republic of Kazakhstan dated 27.12.2021 № 87-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication).

Article 13. Competence of the authorized body in the field of procurement

The authorized body in the field of procurement shall:

1) form and implement state policy in the sphere of procurement of individual entities of the quasi-public sector and organize its implementation;

2) develop and approve regulatory legal acts of the Republic of Kazakhstan in the sphere of procurement of individual entities of the quasi-public sector, including procurement of individual goods, works, and services, in accordance with the purpose and objective of this Law and the legislation of the Republic of Kazakhstan;

3) define web portals for procurement of individual entities in the quasi-public sector, except for the Fund and the Fund’s organizations;

4) initiate and consider cases of administrative offences during procurement by individual entities of the quasi-public sector and impose administrative penalties in the manner established by the Code of the Republic of Kazakhstan on Administrative Offenses;

5) exercise other powers provided for by this Law, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Article 13 as amended by the Republic of Kazakhstan dated 01.07.2024 № 107-VIII (shall come into effect upon expiry of sixty calendar days after the date of its first official publication).

Article 14. Competence of certain quasi-public sector entities in procurement

1. The Fund shall supervise and provide methodological guidance, monitoring and analysis on the procurement of the Fund and the Fund's organisations.

2. The Fund shall perform the following functions:

1) determine the web portal for procurement of the Fund and the Fund's organisations;

2) approve the rules for the operation of the web-portal for procurement of the Fund and the Fund's organisations, including in the event of technical failures on the web portal;

3) approve the rules for the formation and maintenance of registers, lists in the area of procurement of the Fund and the Fund's organisations;

4) approve the manner in which the Fund and the Fund's organisations enter into and execute an ophthalmic contract;

5) determine the structural unit of the Fund acting as the centralised procurement control service for the Fund and the organisations of the Fund;

6) exercise other powers as set out in this Law, other laws of the Republic of Kazakhstan, the charter of the Fund and the Fund's procurement procedures.

3. The Board of Directors of the Fund shall:

1) approve the Fund's procurement procedures;

2) approve the rules for monitoring the implementation of the Fund's procurement.

4. The first head, deputy head or other head of the contracting authority or the organiser of the procurement shall be appointed as chairman of the procurement commission.

Article 15. Control over compliance with the legislation of the Republic of Kazakhstan on procurement by certain quasi-public sector entities

1. Control over the compliance of certain quasi-public sector entities with the requirements of this Law and the procurement rules shall be carried out by the centralised procurement control service and the authorised procurement authority.

2. The centralised procurement control service of certain quasi-public sector entities, other than the Fund and the Fund's organisations, shall be accountable to the board of directors of the quasi-public sector entity, which shall determine the quantitative composition, term of office and operating procedures of the centralised procurement control service, appoint and terminate the powers of its head and determine the amount and other conditions of remuneration of its employees.

The Central Procurement Control Service of the Fund and the Fund's organisations shall report directly to the Board of Management of the Fund. The control procedure shall be set out in the Fund's procurement control rules.

3. The objects subjected to control shall be:

1) a purchaser, an organizer of procurement, a tender commission (auction commission), an expert procurement commission, a procurement expert;

2) a potential supplier, supplier, and persons engaged by them as subcontractors for the performance of works or co-contractors for the provision of services, within the scope of the subject matter of the procurement being made;

3) the operator of the digital electronic procurement system.

4. The grounds for monitoring compliance with procurement rules shall be:

1) a written request or a request, received through publicly accessible digital systems and complying with the statutory requirements of the Republic of Kazakhstan on electronic documents and electronic digital signatures, from a potential supplier or a supplier, participating (who has participated) in the procurement, or their authorized representative, with a complaint regarding the actions (inaction) or decisions of the customer, procurement organizer, tender committee (auction committee), procurement expert committee, procurement expert, or operator of the digital electronic procurement system;

2) decisions received from law enforcement agencies and national security bodies;

3) inspection plan for the centralised procurement control service;

4) information about violations, submitted by the customer.

5. Upon detection of any breaches of the procurement rules as a result of the monitoring, the Centralised Procurement Monitoring Service shall send to the subject of the monitoring:

1) a binding remedial notification no later than three working days from the date of the discovery of the infringement;

2) a binding act of the planned inspection containing recommendations for the elimination of detected irregularities and their causes.

6. Where, as a result of monitoring, it shall be established that the entity under scrutiny has committed an act (or omission) that constitutes the elements of a criminal offence, the centralized procurement oversight service is obliged, within five working days of the discovery of such a fact, to forward information regarding the commission of the specified act (or inaction) and the documents confirming such a fact to the law enforcement agencies and national security authorities.

7. If the centralised procurement control service issues a remedial notification, the object of control shall remedy the breaches specified in the notification within ten working days of the day following the date of delivery (receipt) of the notification.

8. In the event of failure to comply with the notification to rectify irregularities detected as a result of the control within the period specified in paragraph 7 hereof, the centralised procurement control service shall transfer the materials to the authorised procurement body.

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 30.12.2022 № 177-VII (shall be enforced upon expiry of ten calendar days after the day of its first official publication); dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication); dated 12.06.2026 № 311-VIII (shall enter into force upon expiry of ten calendar days after the date of its first official publication).

Article16. Appealing the actions (inaction), decisions of the customer, procurement organizer, tender committee (auction committee), procurement expert, procurement expert committee, operator of the digital electronic procurement system, decisions of the centralized procurement control service

1. A potential supplier, supplier shall have the right to appeal the actions (inaction) or decisions of the customer, procurement organizer, tender committee (auction committee), procurement expert, procurement expert committee, or operator of the digital electronic procurement system, if their actions (inaction) or decisions violate the rights and (or) legitimate interests of the potential supplier or supplier.

2. A potential supplier shall have the right to appeal the actions (inaction) or decisions of the customer, procurement organizer, tender committee (auction committee), procurement expert, procurement expert committee, or operator of the digital electronic procurement system before the opening of bids or price proposals if their actions (inaction) or decisions violate the rights and (or) legitimate interests of the potential supplier.

3. A potential supplier, who participated in the procurement shall have the right to appeal the actions (inaction), decisions of the customer, the procurement organizer, the tender committee (auction committee), the procurement expert, the procurement expert committee, the operator of the digital electronic procurement system within two working days from the date of publication of the report on the procurement results, if their actions (inaction), decisions violate the rights and (or) legitimate interests of the potential supplier, who participated in the procurement.

4. In response to a potential supplier not agreeing with the results of the tender, the tender committee shall submit a reasoned decision.

5. In the cases provided for in paragraphs 2 and 3 hereof, the conclusion of the contract shall be suspended until the expiry of the time limit for the examination of the complaint.

6. Upon expiration of the terms, established by paragraphs 2 and 3 of this article, appealing against the actions (inaction) and decisions of the customer, procurement organizer, tender committee (auction committee), procurement expert, procurement expert committee, or operator of the digital electronic procurement system to the centralized procurement control service shall be executed in accordance with the laws of the Republic of Kazakhstan.

7. A complaint by a potential supplier, vendor may be submitted via the web portal for procurement in obedience to the legislation of the Republic of Kazakhstan on electronic document and electronic digital signature.

8. Based on the results of the review of the complaint received within the time limits set out in paragraphs 2 and 3 hereof, the centralised procurement control unit shall decide whether to cancel and/or revise, or refuse to cancel and/or revise, the procurement results.

A decision to reject the cancellation and/or review of the procurement results, containing the conclusions that no cancellation and/or review of the procurement results is necessary, with justification, shall be communicated to the applicant within three calendar days of the date of such decision.

9. In the event of disagreement with the decision of the centralised procurement control unit made pursuant to paragraph 8 hereof, the potential supplier shall be entitled to appeal to a court of law.

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 09.01.2026 № 256-VIII (shall take effect six months after the date of its first official publication).

Article 17. Liability for violation of the legislation of the Republic of Kazakhstan on procurement by certain quasi-public sector entities

Violation of the requirements of the legislation of the Republic of Kazakhstan on procurement by certain quasi-public sector entities shall entail liability established by the laws of the Republic of Kazakhstan.

Article 18. Special procurement procedures

1. Procurements with application of a special procedure shall be carried out in cases of purchase of goods, works, services, information on which constitutes state secrets and (or) contains official information of limited distribution, determined by the Government of the Republic of Kazakhstan, as well as within the framework of the state defence order in compliance with the legislation of the Republic of Kazakhstan on defence industry and the state defence order and in cases provided for by the rules of procurement.

2. The special procedure shall be determined by the procurement rules.

3. Special procedure procurement shall be carried out without the use of a web-based procurement portal.

Article 19. Enactment procedure of this Law

This Law shall come into force on 1 January 2022, except for paragraph 4 of Article 6, which shall come into force on 1 January 2023.

President of the Republic of Kazakhstan *K. TOKAYEV*

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