

Beneficial Ownership Roadmap 2017-2019

Republic of Kazakhstan

OBJECTIVE	WORK	PARTICIPANTS	RESPONSIBLE BODY	TIME FRAME	COST AND FINANCING
Define the relations between beneficial ownership and national priorities	<p>Review of the objectives and national priorities of beneficial ownership disclosure.</p> <p>Design of provisions for implementation of the beneficial ownership Roadmap.</p>	NSC, WG*	National EITI Secretariat	<p>During 2016 – 2017</p> <p>Before 1 January 2016 and then permanently</p>	Current operating expenses
Ensure institutional foundations for implementation of provisions on beneficial ownership	<p>Discussion of the institutional framework.</p> <p>Review of the institutional framework.</p> <p>Consult with state bodies and other stakeholders to determine the institutional framework for supervision, collection and maintenance of information on beneficial ownership and disclosure mechanisms. Identify legal barriers to disclosure of beneficial ownership.</p>	<p>NSC, WG</p> <p>NSC, WG</p> <p>ME, MID, MF, MJ, MNE, MIA, National Office for Combating Corruption, Atameken National Chamber of Commerce, KAZENERGY Association, AMMC, JSC Samruk-Kazyna</p>	<p>National EITI Secretariat</p> <p>National EITI Secretariat</p> <p>MID</p>	<p>During 2016 – 2017</p> <p>During 2017</p> <p>During 2017</p>	Current operating expenses

1. Overcome legal barriers to the integration of beneficial ownership requirements	<p>Analysis of legislation to identify opportunities for the integration of beneficial ownership requirements.</p> <p>Changes and additions to existing legislation of the Republic of Kazakhstan to ensure disclosure of the beneficiaries of mining companies as prescribed by law.</p>	MID, ME and other state bodies	State body appointed by the Kazakh Government	<p>During 2017 -2018</p> <p>2018 – 2019</p>	Current operating expenses
Define the concept of beneficial ownership	<p>Analysis of laws of the Republic of Kazakhstan concerning beneficial ownership and its disclosure. Study of international experience in defining the concept of a beneficiary. Preparation of conclusions and recommendations for definition of the concept of a beneficiary for EITI purposes for the application of legislative measures to establish the definition.</p> <p>Drafting of guidelines for determining beneficial ownership (level and control).</p>	MID, WG, NSC, development institutions, donors	State body appointed by the Kazakh Government	During 2017-2018	Current operating expenses and financing from other sources
Define the level of information disclosure for PEPs and their inclusion in the definition of beneficial ownership	<p>Analysis of current legislation regarding state service, etc. to identify a definition of PEPs and their reporting obligations.</p>	Interested state bodies, Working Group	State body appointed by the Kazakh Government	First half of 2018	Current operating expenses and financing from other sources
Define the level of detail in disclosure of information	<p>Review and definition of the list of required data on the beneficiary.</p> <p>Design and approval of the form for declaration of beneficial ownership.</p> <p>Design and approval of guidelines for completing the form for declaration of beneficial ownership.</p>	<p>WG, NSC</p> <p>MID, ME, MIA and other state bodies</p>	National EITI Secretariat, MID	During 2017-2018	Current operating expenses

<p>Define the procedure for data collection</p>	<p>Define approaches for the selection of companies (mining and non-mining), which must take part in reporting of beneficial ownership.</p> <p>Define the list of mining companies taking part in KASE auctions, operating companies, investing in assets, selected by (for example) the materiality threshold for taxes or any other state requirement for such information. [sic (translator)]</p> <p>The inclusion of a requirement for the disclosure of beneficiaries within the framework of EITI reporting by subsoil users in pilot regime.</p>	<p>NSC, WG, MID, ME, MJ and other state bodies</p>	<p>National EITI Secretariat</p> <p>National EITI Secretariat</p> <p>MID</p>	<p>During 2018</p> <p>During 2018</p> <p>First half of 2017</p>	<p>Current operating expenses</p>
<p>Ensure the reliability of data</p>	<p>Review of mechanisms to ensure the accuracy of data and potential for introducing liability for the inaccuracy of submitted data.</p> <p>Define the form for confirmation by companies of beneficiaries (verification by the provision of supporting documentation or by another means).</p> <p>Define the mechanism for data validation.</p>	<p>NSC, WG, MID, ME, MJ and other state bodies</p>	<p>National EITI Secretariat, MID</p> <p>State body appointed by the Kazakh Government</p>	<p>During 2018 – 2019</p> <p>During 2018 – 2019</p> <p>During 2018 – 2019</p>	<p>Current operating expenses</p>
<p>Ensure that data is provided in timely manner and is up to date</p>	<p>Review the frequency of reporting for disclosure of beneficial ownership, including in the EITI framework (for the reporting year) and obligations to update information in case of changes in the structure of beneficiaries.</p>	<p>WG, NSC, MID, ME, MJ and other state bodies</p>	<p>National EITI Secretariat, MID</p>	<p>2019</p>	<p>Current operating expenses</p>
<p>Ensure access to data</p>	<p>Consider the establishment of a register of beneficiaries and its integration with existing registers.</p> <p>Review accessibility of information on beneficial ownership, taking account of restrictions under law</p>	<p>WG, NSC MID, ME, MJ, MF, MIA and other state bodies</p>	<p>State body appointed by the Kazakh Government</p>	<p>2019</p>	<p>Current operating expenses</p>

Review needs for expansion of capacity	Hold trainings and seminars to expand capacity	WG, NSC, MID, ME and other interested state bodies	National EITI Secretariat	Regularly	Current operating expenses
Meet needs for technical and financial assistance	Prepare proposals to donors for financing of specific studies and activities. Hire technical and other assistance at the expense of donors.	Secretariat, NSC, WG	National EITI Secretariat	Regularly	Current operating expenses
Monitoring of Roadmap implementation	Design, detail and update the Roadmap	NSC, WG	National EITI Secretariat	Regularly	Current operating expenses

Note: The Working Group for implementation of the provisions of the Roadmap must include representatives of all stakeholders (the state and others). The Working Group will prepare a detailed action plan for implementation of the Roadmap, which will be updated as necessary.

Terms and definitions:

AMMC: Association of Mining and Metallurgy Companies

EITI: Extractive Industries Transparency Initiative

ME: Ministry of Energy of the Republic of Kazakhstan

MF: Ministry of Finance of the Republic of Kazakhstan

MIA: Ministry of Internal Affairs of the Republic of Kazakhstan

MID: Ministry for Investments and Development of the Republic of Kazakhstan.

MJ: Ministry of Justice of the Republic of Kazakhstan

MNE: Ministry of the National Economy of the Republic of Kazakhstan

NGO: Non-government organizations.

NSC: National Stakeholders Council

WG: Working group