



On approval of the Rules for monitoring projects implemented under the financial support programs for entrepreneurship under the State Business Support and Development Program "Business Road Map 2020"

Invalidated Unofficial translation

Order of the Minister of National Economy of the Republic of Kazakhstan dated March 18, 2019 № 19. Registered with the Ministry of Justice of the Republic of Kazakhstan on March 28, 2019 № 18436. Abrogated by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 07.09.2020 № 62.

Unofficial translation

Footnote. Abrogated by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 07.09.2020 № 62 (effective after ten calendar days after the date of its first official publication).

In accordance with the Resolution of the Government of the Republic of Kazakhstan dated April 19, 2016 No. 234 "On some measures of state support of private entrepreneurship", **I HEREBY ORDER:**

1. To approve the attached Rules for monitoring projects implemented within the framework of financial support programs for entrepreneurship under the State Business Support and Development Program "Business Road Map 2020".

2. To recognize as terminated Order of Acting Minister of National Economy of the Republic of Kazakhstan dated February 27, 2018 No. 81 "On approval of the Rules for monitoring projects implemented as part of financial support programs for entrepreneurship within the framework of the Unified program of support and development of the business "Business Road Map 2020" (registered in the Register of state registration of regulatory legal acts under № 16621, published on April 11, 2018 in the Reference control bank of regulatory legal acts of the Republic of Kazakhstan).

3. The Department of State Support for Entrepreneurship of the Ministry of National Economy of the Republic of Kazakhstan shall ensure:

1) state registration of this Order with the Ministry of Justice of the Republic of Kazakhstan;

2) within ten calendar days from the date of the state registration of this Order with the Ministry of Justice of the Republic of Kazakhstan, sending a copy thereof both in the state and Russian languages to the Republican State Enterprise with the Right of Economic Management "Republican Center of Legal Information" for official publication and inclusion in the Reference Control Bank of Regulatory Legal Acts of the Republic of Kazakhstan;

3) placement of this Order on and Internet-resource of the Ministry of National Economy of the Republic of Kazakhstan;

4) within ten working days after the state registration of this order with the Ministry of Justice of the Republic of Kazakhstan, submission to the Legal Department of the Ministry of National Economy of the Republic of Kazakhstan of information on the implementation of measures provided for in subparagraphs 1), 2) and 3) of this paragraph.

4. The control over the execution of this Order shall be entrusted to the Supervising Vice Minister of National Economy of the Republic of Kazakhstan.

5. This Order shall come into effect after ten calendar days after the day of its first official publication.

*Minister of National
Economy of the Republic of Kazakhstan*

R. Dalenov

Approved
by Order of the Minister of
National Economy of the
Republic of Kazakhstan
dated March 18, 2019 No. 19

The Rules for monitoring projects implemented as part of financial support programs for entrepreneurship under the State Business Support and Development

Program “Business Road Map -2020”

Chapter 1. General Provisions

1. These Rules for monitoring projects implemented as part of financial support programs for entrepreneurship under the State Business Support and Development Program “Business Road Map 2020” (hereinafter referred to as the Monitoring Rules) were developed in accordance with the Decree of the Government of the Republic of Kazakhstan on April 19, 2016 No. 234 "On some measures of state support of private enterprise" and picked out the procedure for the monitoring of projects implemented under financial support programs for entrepreneurship within the state of business support and development of the program "Business Road Map-2020", approved by the Decree of the Republic of Kazakhstan dated August 25, 2018 № 522 (hereinafter referred to as the Program) and the mechanism of lending to priority projects approved by the Decree of the Government of Kazakhstan on December 11, 2018 No. 820 “On some issues of ensuring long-term tenge liquidity for solving the problem of affordable lending (hereinafter referred to as the Mechanism).

Footnote. Paragraph 1 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

2. The Damu Entrepreneurship Development Fund Joint-Stock Company (hereinafter referred to as the “Financial Agency”) shall monitor the implementation of the Program in terms of subsidizing interest rates on loans/financial leasing agreements /Islamic finance agreements/Islamic leasing agreements/coupon interest rates on bonds, guaranteeing on loans and the provision of state grants for the implementation of new business ideas under the Program, and also monitors the implementation of the Mechanism in terms of subsidies interest and guarantee rates on loans under:

1) Rules for subsidizing part of the remuneration rate under the State program for business support and development “Business Road Map 2020”, approved by the Government of the Republic of Kazakhstan dated April 19, 2016 No. 234 (hereinafter referred to as the Subsidy Rules);

2) Guarantee Rules for loans to small and medium-sized enterprises within the framework of the State program of business support and development “Business Road Map 2020”, approved by the Government of the Republic of Kazakhstan dated April 19, 2016 No. 234 (hereinafter referred to as the Guarantee Rules);

3) Rules for the provision of state grants to small businesses for the implementation of new business ideas and industrial and innovative projects as part of business incubation under the State Business Support and Development Program “Business Road Map 2020”, approved by the Government of the Republic of Kazakhstan on April 19 2016 No. 234 (hereinafter referred to as the Rules for the provision of state grants);

4) Rules for subsidizing part of the mark-up on goods and part of the rental payment, which is the income of Islamic banks, when Islamic banks finance business entities within the framework of the State Business Support and Development Program “Business Road Map 2020”, approved by the Government of the Republic of Kazakhstan dated April 19, 2016 year No. 234 (hereinafter referred to as the Subsidy Rules for financing by Islamic banks);

5) Rules for subsidizing the coupon rate for bonds issued by business entities under the State Business Support and Development Program “Business Road Map 2020” approved by the Government of the Republic of Kazakhstan on April 19, 2016 No. 234 (hereinafter referred to as the Rules for subsidizing coupon interest rates).

Footnote. Paragraph 2 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

3. The following terms and definitions shall be used in these Monitoring Rules :

1) regional coordinator of the Program - the structural unit of the local executive body, determined by the akim of the region (capital, city of republican significance), providing consulting support to entrepreneurs on the preparation and collection of documents necessary for participation in the Program;

2) Bank - a second-tier bank participating in the Program, including the Development Bank of Kazakhstan joint-stock company and/or a second-tier bank participating in the Mechanism;

3) bank loan (hereinafter referred to as the loan) - the amount of money provided by the bank on the basis of a bank loan agreement to an entrepreneur on the terms of urgency, payment, repayment, security and intended use. A credit line also applies to a bank loan.

For an Islamic bank, credit is understood as financing — a deferred or installment payment for goods provided by an Islamic bank to an entrepreneur in accordance with a financing agreement;

4) bank loan agreement - a written agreement concluded between a bank and an entrepreneur, under the terms of which a bank loan is granted to an entrepreneur. A bank loan agreement also includes a credit line agreement.

For an Islamic bank, a bank loan agreement is understood as a financing agreement - a written agreement concluded between an Islamic bank and an entrepreneur, under which an Islamic bank provides a commercial loan to an entrepreneur - buyer or seller of goods. The financing agreement also includes the general financing agreement, under which the Islamic bank and the entrepreneur conclude separate agreements on the provision of a commercial loan (financing). A commercial loan is understood to mean financing by an Islamic bank of the entrepreneur's trading activities as a reseller through the sale of goods to the entrepreneur with deferred or installment payments at the selling price of the product, which is the sum of the price of the goods and the margin on the goods;

5) Grant - public funds allocated to grantee on gratuitous and irrevocable basis in accordance with the grant agreement for the implementation of business ideas according to the conditions of the program;

6) grantee - a small business entity, including a young start-up entrepreneur, a start-up entrepreneur, women, people with disabilities, and people over 50 (fifty) years of age, who, according to the decision of the Competition Commission, shall be given a grant to implement a business idea;

7) grant agreement - a tripartite written agreement in Form approved by the authorized body for entrepreneurship, concluded between the regional coordinator of the Program, the Financial Agency and the small business, under the terms of which the grantee will receive a grant;

8) project - a set of actions and activities in various areas of business carried out by an entrepreneur as an initiative activity aimed at generating income and not contradicting the legislation of the Republic of Kazakhstan. Within the framework of one project, it is possible to obtain several bank loans/leasing transactions;

9) project monitoring - monitoring of the activities of the entrepreneur/grantee/ issuer, conducted by the Financial Agency together with representatives of the bank/ leasing company/grantee/issuer by checking the actual implementation of the Project in accordance with the terms of the Program/Mechanism, including by visiting the project site ;

10) guarantee - the obligation of the Financial Agency to the bank for the fulfillment of the obligations of the entrepreneur to pay part of the principal debt under a bank loan agreement arising from the guarantee agreement, within the guarantee amount;

11) guaranteeing - a form of state support for entrepreneurs, used in Form of a partial guarantee as security for the fulfillment of obligations on an entrepreneur's loan on the terms determined by the Program/Mechanism, the Guarantee Rules and the guarantee agreement;

12) guarantee agreement - a trilateral written agreement concluded between the Financial Agency, a bank and an entrepreneur on the provision of a guarantee in Form approved by the authorized body for entrepreneurship;

13) an entrepreneur – an entity of small and (or) medium-sized businesses operating in accordance with the Entrepreneurial Code of the Republic of Kazakhstan dated October 29, 2015, as well as a private business entity defined in the Credit Facility for Priority Projects approved by the Government of the Republic of Kazakhstan on December 11, 2018 No. 820 “On some issues of ensuring long-term tenge liquidity for solving the problem of affordable lending;

14) The competitive commission - a collegial deliberative body with the participation of representatives of local executive bodies, public associations, scientific and educational institutions, industry experts, and regional media. The Chairman of the Competition Commission may not be a representative of local executive bodies;

15) intended use of the loan/grant - the use by the entrepreneur/grantee of the loan/ grant received under the bank loan agreement/grant agreement for the purposes established by the bank loan agreement/grant agreement and the decision of the Financial Agency/Competition Commission, corresponding to the conditions Programs /Mechanism. Intended use is confirmed by relevant documents, which together confirm payment, receipt by the entrepreneur/grantee in full of the asset/work/service and/or achievement of other goals, in accordance with the terms of the Program/Mechanism;

16) financial leasing agreement - a written agreement concluded between a leasing company/bank and an entrepreneur under the terms of which a leasing company participating in the Program (hereinafter referred to as the leasing company)/bank provides financial leasing to an entrepreneur;

17) leasing transaction (leasing) - the totality of the agreed actions of the leasing participants aimed at the establishment, amendment and termination of civil rights and obligations;

18) monitoring report - a monitoring report prepared by the Financial Agency, signed by the bank/leasing company/grantor/grantee/issuer in Form established by the Financial Agency;

19) representative of bondholders - an organization that is not an affiliate of the issuer of these bonds, acting in the interests of bondholders with a subsidized interest rate on the basis of an agreement concluded with the issuer in the process of circulating bonds on the secondary securities market, paying interest on bonds and their repayment ;

20) Central Securities Depository - a specialized non-profit organization, the only one in the Republic of Kazakhstan carrying out depository activities;

21) portfolio guarantee - a form of providing guarantees to entrepreneurs within the limit established by the Financial Agency for a bank;

22) subsidies - periodic payments on a gratuitous and non-refundable basis paid by the Financial Agency to a bank/leasing company/issuer in the framework of subsidizing entrepreneurs on the basis of subsidy agreements;

23) subsidization - a form of state financial support for entrepreneurs, used to partially reimburse expenses paid by an entrepreneur to a bank/leasing company as interest on loans/leasing in exchange for the fulfillment of certain future conditions related to the operating activities of the entrepreneur and/or Form of state issuers of financial support used for the partial reimbursement of costs paid by the issuer to the bondholder subsidized interest rate in exchange for future fulfillment of certain conditions related to the issuer's operations;

24) subsidy agreement - a trilateral written agreement concluded between the Financial Agency, the bank/leasing company and the entrepreneur, under which the Financial Agency partially subsidizes the interest rate on the loan/leasing of the entrepreneur issued by the bank/leasing company in Form approved by the authorized body for entrepreneurship and/or bilateral written agreement between the Financial Agency and the issuer, under which the Financial Agency partially subsidizes the interest rate on the issuer's bonds placed;

25) issuer - a person issuing issue-grade securities.

Footnote. Paragraph 3 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

Chapter 2. Monitoring by the Financial Agency

4. Project monitoring is carried out in accordance with the monitoring plan for the corresponding financial year approved by the Financial Agency, as well as at the request of the regional coordinator of the Program, the court, law enforcement and other state bodies, and authorized organizations, if there is an overdue debt on the principal debt of entrepreneurs who have received a guarantee within the framework of the Program/Mechanism, and in other cases according to the internal regulatory documents of the Financial Agency.

Footnote. Paragraph 4 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

5. In order to provide monitoring services to the authorized body for Entrepreneurship (hereinafter referred to as the authorized body) on an annual basis, conclude with the financial agencies to voices on public procurement of services.

6. Services of the Financial Agency for monitoring projects under these Monitoring Rules shall be carried out on the basis of an agreement on public procurement of services and are paid by the authorized body at the expense of the republican budget for the corresponding financial year.

7. Financial agency prepares and approves a monitoring plan for the next calendar year for projects no later than 20 (twenty) business days before the start of a new monitoring period in the next calendar year.

The procedure and timing for monitoring projects is adjusted depending on the number of projects to be monitored, the requirements of customers under their agency agreements and other agreements under which the Financial Agency carries out monitoring functions.

8. Project monitoring is not carried out on projects of entrepreneurs, for which loans on the monitoring date were repaid or subsidies/guarantees for them were stopped on the basis of a decision of the Financial Agency, as well as on grant financing projects for which funds were refunded on the monitoring date according to the decision Competition Commission.

9. Monitoring of the project is carried out without going to the place of implementation of the project on loans to entrepreneurs aimed at replenishing working capital. For projects aimed at investment purposes, the Financial Agency travels to the place of project implementation (visual confirmation of the project) at the end of the investment phase of the project, i.e. after the deadline for fulfilling the terms of the contract/agreement (contract, equipment supply, etc.) concluded with the counterparty, but no later than 1 (one) year after the loan is issued. In the following, leaving in place the project is carried out according to a further date, the provision of financial agency.

10. Monitoring of the project is carried out on the basis of data provided by the bank/leasing company/representative of the bondholders and the entrepreneur/grantee/

issuer. The financial agency is not responsible for the false information provided by these sources of information.

11. The financial agency does not monitor the targeted use of credit by the entrepreneur on projects financed by the bank as part of portfolio guarantee .

Chapter 3. Functions of the Financial Agency during monitoring

12. When monitoring subsidized projects, the Financial Agency shall implement:

1) monitoring the intended use of a new loan/bonded loan by an entrepreneur/issuer with whom a subsidy agreement has been concluded on the basis of data and documents submitted by a bank/leasing company/Islamic bank/Islamic leasing company/issuer/representative of bondholders;

2) monitoring of payment discipline of the entrepreneur on the basis of data provided by the bank/leasing company/Islamic bank/Islamic leasing company/Central Securities Depository;

3) monitoring of the implementation of the project (use of the leased asset under the financial/Islamic leasing agreement, use by the issuer of a bonded loan);

4) monitoring the compliance of the project and (or) the entrepreneur/issuer with the terms of the Program/Mechanism and (or) the decision of the Financial Agency;

5) monitoring the implementation by entrepreneurs in the first direction of the Program and small businesses in the second direction of the Program of obligations to achieve revenue growth and increase the average number of jobs by 10% after 2 (two) financial years from the date of the decision of the financial agency for projects, aimed at modernizing and expanding production, as well as regarding the fulfillment by entrepreneurs of the conditions for maintaining and (or) increasing the average annual number of jobs or achieving one hundred income by 10% after 2 (two) financial years from the date of the decision of the financial agency to subsidize the project under the Mechanism. The reporting date in calculating the dynamics of income growth and the average number of employees of an entrepreneur is the beginning of the next financial year, regardless of the date of the decision of the Financial Agency.

Footnote. Paragraph 12 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

13. When monitoring guaranteed projects, the Financial Agency shall implement:

1) monitoring the intended use of the loan of an entrepreneur with whom a guarantee agreement has been concluded, based on data and documents submitted by the bank/leasing company/Islamic bank/Islamic leasing company and/or entrepreneur;

2) monitoring the payment discipline of the entrepreneur on the basis of data provided by the bank/leasing company/Islamic bank/Islamic leasing company, or other reliable sources;

3) monitoring the implementation of entrepreneurs in the first direction of the Program and small businesses in the second direction of the Program of obligations to achieve revenue growth and increase the average number of jobs by 10% after 2 (two) financial years from the date of the decision of the financial agency for projects, aimed at modernizing and expanding production. The reporting date in calculating the dynamics of income growth and the average number of employees of the entrepreneur is the beginning of the next financial year, regardless of the date of the decision of the Financial Agency.

4) monitoring the compliance of the project and (or) the entrepreneur with the conditions of the Program/Mechanism and (or) the decision of the Financial Agency.

Footnote. Paragraph 13 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

14. When monitoring grant financing projects for the implementation of new business ideas, the Financial Agency implements:

- 1) monitoring the intended use of the grant;
- 2) monitoring the activities of entrepreneurs in the implementation of business projects within 1 (one) year from the date of receipt of the grant;
- 3) monitoring of the entrepreneur's fulfillment of conditions for the creation of new jobs;
- 4) monitoring the implementation by the entrepreneur of the terms of the grant agreement.

Footnote. Paragraph 14 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

15. To carry out the monitoring functions of the project, the Financial Agency asks the entrepreneur/grantee and the bank/leasing company/Islamic bank/Islamic leasing company and/issuer/representative of the bondholders to confirm the intended use of the loan/grant/bond loan and the compliance of the project with the terms of the Program/Mechanism, as well as information related to the project of monitoring the subject and, including the component of the tax secret with his consent, as well as a list of documents in needed for monitoring grant projects according to Annex 1 to this Monitoring Rules list of documents required for monitoring guaranteed projects under Annex 2 hereto monitoring and the list of documents required for monitoring projects grant funding according to Annex 3 to present Monitoring Rules.

In cases where additional confirmation of the project of the entrepreneur/grantee/ issuer is required under the conditions of the Program/Mechanism and the targeted use of funds, the Financial Agency has the right to request additional documents for monitoring the project.

Footnote. Paragraph 15 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

Chapter 4. The procedure for monitoring

Footnote. The title of Chapter 4 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication)

Paragraph 1. Monitoring of subsidized projects

16. As part of the monitoring of the project, the Financial Agency not later than 20 (twenty) business days before the start of monitoring shall send a notification on monitoring to the bank/leasing company/Islamic bank/Islamic leasing company/issuer/representative of bondholders program/mechanism with a list of projects to be monitored, and the timing of the monitoring list of documents necessary for the monitoring of subsidized projects in accordance with Annex 1 to this Monitoring Rules

The list of projects to be monitored is formed from the general pool of signed subsidy agreements for the corresponding period to be monitored, with the exception of projects of entrepreneurs for which loans have been repaid at the date of monitoring or their subsidies have been stopped based on a decision of the Financial Agency.

The deadline for the submission of the documents necessary for the monitoring of the project shall be reflected in the notification of the Financial Agency, taking into account the date the project monitoring began.

Footnote. Paragraph 16 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

17. The bank/leasing company/Islamic bank/Islamic leasing company no later than 10 (ten) business days before the start of the monitoring shall notify in writing the entrepreneurs indicated in the notification of the Financial Agency about the monitoring.

18. The bank/leasing company/Islamic bank/Islamic leasing company shall submit to the Financial Agency the documents necessary for monitoring subsidized projects in accordance with Annex 1 to these Monitoring Rules, prior to the start date of project monitoring.

19. Financial Agency during the term of monitoring specified in the notice of the Finance Agency, shall carry out project monitoring, including on-site implementation

of the project, taking into account paragraphs 9 and 12 on the standing monitoring of the Rules.

20. The procedure for suspension, termination and renewal of subsidies for projects of an entrepreneur/issuer, including the results of monitoring, shall be carried out in accordance with Chapter 9 of the Subsidy Rules, Chapter 8 of the Subsidy Rules for financing by Islamic banks and Chapter 7 of the Subsidy Rules for subsidizing coupon interest rates.

Paragraph 2. Monitoring of guaranteed projects

21. The bank/leasing company/Islamic bank/Islamic leasing company monitors the entrepreneur's project, which includes monthly ongoing monitoring of the implementation of the entrepreneur's project(s). A report on ongoing monitoring of the implementation of the project(s) of private business entities within the framework of the first/second direction of the Program and within the framework of the Mechanism in Form in accordance with Annex 4 to these Monitoring Rules shall be submitted by the Bank to the Financial Agency separately for each program no later than the fifth day of the month following for the reporting month, in writing and additionally sent to the email address of the responsible executor, as determined by the Financial Agency.

Footnote. Paragraph 21 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

22. Monitoring shall not be carried out on projects that have received a guarantee from the Financial Agency as part of a portfolio guarantee, unless the entrepreneur does not fulfill obligations to repay the principal amount under the loan agreement within 60 (sixty) calendar days (unless Guarantee agreement specifies a different period). According to these projects, monitoring shall be carried out in case the project is delayed for more than 60 (sixty) calendar days.

23. On a monthly basis, until the twenty-fifth day of the month following the reporting month, the financial agency submits to the authorized body a guarantee report within the framework of the first and second directions of the Program in Form in accordance with Annex 5 to these Monitoring Rules.

Footnote. Paragraph 23 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

24. Within the framework of monitoring the project, the Financial Agency, not later than twenty business days before the start of the monitoring, sends a notification to the bank/leasing company/Islamic bank/Islamic leasing company about the monitoring

under the Program/Mechanism with a list of projects to be monitoring, the timing of the monitoring and the list of documents required for monitoring the guaranteed projects in accordance with Annex 2 to these Monitoring Rules.

Footnote. Paragraph 24 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

25. The bank/leasing company/Islamic bank/Islamic leasing company no later than 10 (ten) business days before the start of the monitoring shall notify in writing the entrepreneurs indicated in the notification of the Financial Agency about the monitoring.

26. The bank/leasing company/Islamic bank/Islamic leasing company submits to the Financial Agency a list of documents necessary for monitoring guaranteed projects in accordance with Annex 2 to these Monitoring Rules, before the monitoring starts.

27. During the monitoring period specified in the notification of the Financial Agency, the Financial Agency shall carry out monitoring of the project, including visits to the place of project implementation, taking into account paragraphs 9 and 13 of these Monitoring Rules.

28. The procedure for canceling a guarantee for entrepreneurs' projects is carried out in accordance with the Guarantee Rules .

Paragraph 3. Monitoring grant financing projects

29. In the framework of monitoring grant financing projects, the Financial Agency shall:

1) keep a register of grant recipients on time and in Form approved by the Financial Agency;

2) monitor the intended use of funds received by the grantee, and submits to the regional coordinator of the Program a report on the implementation of business projects by grantees .

30. For grant financing projects, the Financial Agency shall not later than ten working days before the monitoring date send a notification to the grantee and grantor about the monitoring of the grantee's project within the framework of the Program, indicating the terms for monitoring and the list of documents required for monitoring grant financing projects in accordance with Annex 3 to these Monitoring Rules.

The list of projects to be monitored shall be compiled from a common pool of concluded grant agreements for the corresponding period to be monitored.

The deadline for the submission of documents required for monitoring is reflected in the notification of the Financial Agency, taking into account the start date of project monitoring.

31. The grantee shall submit to the Financial Agency a list of documents required for monitoring grant financing projects in accordance with Annex 3 to these Monitoring Rules before the monitoring start date.

32. During the monitoring period specified in the notification of the Financial Agency, the Financial Agency shall carry out monitoring of the project, including visits to the project site, taking into account paragraphs 9 and 14 of these Monitoring Rules.

33. If the grantee has not submitted the necessary package of documents for monitoring during the monitoring period, or it is impossible to determine its location, the Financial Agency shall draw up an act of impossibility to carry out monitoring due to the failure to provide/refuse to provide information to the grantee to monitor the project form according to the Annex 6 to this Monitoring Rules up to start monitoring date, which is sent to the regional coordinator program and n It should be addressed to the competent authority in the framework of the Agreement on government procurement of services.

34. If the Financial Agency detects improper use by the grantee of the grant funds, the business project is not fulfilled and/or the entrepreneur does not fulfill the conditions for creating new jobs, and/or the conditions of the grant agreement, the Financial Agency shall notify the regional coordinator of the Program, the Tender Committee about these facts in writing within 5 (five) working days after signing the monitoring report by the parties.

35. Based on the monitoring report of the project/act on the impossibility of monitoring presented by the Financial Agency, the Tender Committee within 10 (ten) business days from the receipt of information from the Financial Agency takes a decision to provide an additional period (once) to eliminate comments or about termination of the contract with the grantee, and then within 3 (three) business days notifies the decision of the regional coordinator of the Program and the Financial Agency.

36. If the Tender Committee decides to terminate the contract, the regional coordinator of the Program takes measures to return the funds of the grant that was used for other purposes, in the manner prescribed by the legislation of the Republic of Kazakhstan.

37. In case of misuse of part of the grant funds, it is allowed to return the grant funds by the appropriate decision of the Tender Committee of the grant funds only for the amount of misuse from the grant funds.

Chapter 5. Reporting monitoring results

38. Based on the monitoring results, the Financial Agency generates a monitoring report, which is reviewed by the bank/Islamic bank/leasing company/Islamic leasing company/grantor and the Financial Agency within no more than five business days

from the date of its receipt. For a project for which several loans (tranches)/grants have been issued, one monitoring report is prepared.

39. In case of refusal of the bank/Islamic bank/leasing company/Islamic leasing company/grantee/grantor/issuer to sign the monitoring report, in connection with disagreement with the conclusions of the Financial Agency, as well as in case of failure to provide information necessary for monitoring, The financial agency within 1 (one) business day shall draw up an act of refusal to sign a document in Form in accordance with Annex 7 to these Monitoring Rules.

40. Financial agency shall submit additional deadlines for the elimination of comments on projects of entrepreneurs under construction, execution of legal documents, project implementation and if there are the following objective reasons:

1) at the date of monitoring, the loan was not disbursed or partially disbursed (the line was not fully disbursed, the funds are in the current account for subsequent payment for the goods/work/service);

2) the goods/work/services purchased under the loan were not delivered and the equipment was not installed (if necessary);

3) the construction/reconstruction/repair work carried out, including with credit funds, was not completed;

4) an acceptance certificate/certificate of commissioning of an object constructed, including with credit funds, was not received;

5) documents that confirm the conformity of the borrower/loan/project with the conditions of the Program/Mechanism and the intended use of the loan (invoices, invoices, etc.) are not presented in full (if there are justifications for their failure to be submitted by the borrower at the time of monitoring);

6) job creation has not been confirmed in accordance with the decision of the regional coordinating council.

Footnote. Paragraph 40 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated 20.11.2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

41. The results of monitoring within the framework of the concluded public procurement agreement are communicated by the Financial Agency to the authorized body in accordance with the conditions specified in the public procurement agreement.

Annex 1
to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and
Development Program
“Business Roadmap 2020”

List of documents required for monitoring subsidized projects

Footnote. Annex 1 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated November 20, 2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

1. A business plan, a feasibility report, in the absence of these documents, an economic report from the loan manager of the bank/Islamic bank/leasing company/Islamic leasing company, or other documents that reveal the essence of the project.

2. A statement of the loan debt of the entrepreneur as of the moment of monitoring, with a breakdown of the debt items (principal, remuneration, interest, fines), highlighting the overdue portion or reconciliation report between the bank/leasing company/Islamic bank/Islamic leasing company and an entrepreneur. The certificate must indicate the presence/absence of arrest of the entrepreneur's accounts.

3. Documents submitted in support of the intended use (both for investment purposes and for working capital replenishment) of the loan, as well as visual confirmation:

1) confirming the fact of payment: payment orders, applications for transfer in foreign currency, fiscal checks, bank account statements (from the date of issue of the verified tranche/loan to the date of actual development), receipts for incoming cash orders and other documents;

2) confirming receipt of goods, performance of work, rendering of services and achievement of other goals stipulated by the bank loan agreement: agreements/contracts, invoices, waybills, cargo customs declarations, acts of transfer and acceptance;

3) in the case of construction and installation works (hereinafter referred to as construction and installation work): a document confirming the ownership/lease of the land plot on which construction and installation work is carried out, notification of the final borrower about the start of construction and installation work, acts of commissioning/acceptance with registration with an authorized body .

4. Confirmation of own participation in projects under the Program with an amount of over 180 (one hundred eighty) million tenge (cash, movable/immovable property), including property of third parties, provided as collateral at a level of at least 10% of the total cost implementation of the project.

5. In case of collection of commissions, fees and/or other payments related to a loan/conclusion of a financial leasing agreement, a document confirming the return of these commissions to the entrepreneur.

List of documents required for monitoring guaranteed projects

Footnote. Annex 2 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated November 20, 2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

1. The business plan, the technical and economic conclusion, in the absence of these documents, the economic conclusion of the loan manager of the bank/leasing company/Islamic bank/Islamic leasing company, or other documents that reveal the essence of the project.

2. A statement of the entrepreneur's loan debt at the time of monitoring, with a breakdown of the debt items (principal, remuneration, interest, fines), with the allocation of the overdue portion or reconciliation report between the bank/leasing company/Islamic bank/Islamic leasing company and entrepreneur. The certificate must indicate the presence/absence of arrest of the entrepreneur's accounts.

3. Collateral agreements with all additional agreements.

4. Documents confirming the fulfillment by the bank/leasing company/Islamic bank/Islamic leasing company and/or entrepreneur of special conditions for the validity of the guarantee and other conditions of the guarantee.

5. Certificate of registered rights (encumbrances) on real estate and its technical characteristics on collateral. Providing/requesting information is carried out during the first monitoring of the project. In subsequent monitoring, the certificate is updated if its term is more than 1 (one) year. At the same time, it is mandatory to provide/request up-to-date information during unscheduled monitoring by the Financial Agency, in case of failure by the entrepreneur to fulfill obligations to repay the principal amount under a bank loan agreement within the time period established by the guarantee agreement.

6. Bank loan agreements, tranches with additional agreements, concluded with the entrepreneur, issued under loan agreements for all issues.

7. Documents confirming the provision of money to the ultimate borrower on a loan/line of credit (in the statement from the bank account of the entrepreneur (from the date of receipt of the verified tranche/loan until the date of actual development), payment order of the operator and/or payment order).

8. Documents presented in confirmation of the intended use (both for investment purposes and for replenishment of working capital) of the loan, as well as visual confirmation:

1) confirming the fact of payment: payment orders, applications for transfer in foreign currency, fiscal checks, bank account statements (from the date of issue of the verified tranche/loan to the date of actual development), receipts for the incoming cash order and other documents;

2) confirming the receipt of goods, the performance of work, the provision of services and the achievement of other goals stipulated by the bank loan agreement: agreements, contracts, invoices, waybills, cargo customs declarations, acts of transfer and acceptance;

3) in the case of construction and installation works (hereinafter referred to as construction and installation work): a document confirming the ownership/lease of the land on which construction and installation work is carried out, notification of the final borrower about the start of construction and installation work, acts of commissioning/acceptance with registration with an authorized body .

9. Confirmation of own participation in projects under the Program with an amount of over 180 (one hundred eighty) million tenge (cash, movable/immovable property), including property of third parties, provided as collateral at a level of at least 10% of the total cost project implementation.

10. In the case of levying commissions, fees and/or other payments associated with a loan/conclusion of a financial leasing agreement, a document confirming the return of these commissions to the entrepreneur.

Annex 3
to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and Development
Program
“Business Roadmap 2020”

List of documents required for monitoring grant financing projects

Footnote. Annex 3 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated November 20, 2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

1. A business plan, a feasibility report or other documents that reveal the essence of the project.

2. Documents submitted in support of the intended use (both for investment purposes and for working capital replenishment) of the grant amount:

1) confirming the fact of payment: payment orders, applications for transfer in foreign currency, fiscal checks, bank account statements (from the date of issue of the

verified tranche/loan to the date of actual development), receipts for the cash receipt order and other documents;

2) confirming the receipt of goods, the performance of work, the provision of services and the achievement of other goals stipulated by the bank loan agreement: agreements/contracts, invoices, waybills, cargo customs declarations, acts of transfer and acceptance;

3) in the case of construction and installation works (hereinafter referred to as construction and installation work): a document confirming the ownership/lease of the land plot on which construction and installation work is carried out, notification of the final borrower about the start of construction and installation work, acts of commissioning/acceptance with registration with an authorized body .

3. Documents confirming the co- financing of expenses for the implementation of the business project using own funds in the amount of at least 10% of the amount of the grant, as well as visual confirmation:

1) confirming the fact of payment: payment orders, applications for transfer in foreign currencies, fiscal checks, bank account statements (from the date of issue of the verified tranche/loan to the date of actual development), receipts for an incoming cash order and other documents;

2) confirming the receipt of goods, the performance of work, the provision of services and the achievement of other goals stipulated by the bank loan agreement: contracts/contracts, invoices, waybills, cargo customs declarations, acts of transfer and acceptance;

3) in case of construction and installation work: a document confirming the ownership/lease of the land on which construction and installation work is carried out, notification of the final borrower about the start of construction and installation work, acts of commissioning/acceptance with registration with the authorized body, and others.

4. Documents confirming the implementation of the activities of the target business program (business project), in accordance with the business project action plan in Form in accordance with Annex 4 to the Agreement on the provision of grants for the implementation of new business ideas, approved by order of the Minister of National Economy of the Republic Kazakhstan dated March 6, 2019 No. 18 (registered in the Register of State Registration of Normative Legal Acts No. 18377).

5. Copies of tax declarations of the grantee accepted by the State Revenue Committee, confirming the creation of new jobs.

6. Documents confirming the implementation of the business project, including documents confirming the implementation of the manufactured products, work performed, services provided as part of the business project.

to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and
Development Program
“Business Roadmap 2020”

Report of the _____ joint-stock company on the current monitoring of the implementation of projects of private business entities within the framework of the first/second direction of the Program/Mechanism (indicate what is necessary) for the period from _____ to _____

Footnote. Annex 4 as amended by the Order of the Minister of National Economy of the Republic of Kazakhstan dated November 20, 2019 No.91 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).

No.	Name of the bank	Place of contact of a private business entity (region)	Name of the borrower	Individual Identification Number (IIN)/ Business Identification Number (BIN) of the Borrower	Legal status (limited liability partnership, individual entrepreneur, peasant farming, entrepreneurial cooperative)	Bank Loan Agreement/ Credit Line Agreement	Date of Bank Loan Agreement/ Credit Line Agreement	Credit term
1	2	3	4	5	6	7	8	9

continuation of the table

Amount of credit	Loan interest rate	Grace period for repayment of principal	Grace period for the payment of remuneration	Date of loan issue (tranche)	Amount of actual disbursement of funds	Balance of outstanding debt at the reporting date	Warranty Agreement Number
10	11	12	13	14	15	16	17

continuation of the table

Warranty Agreement Date	Financial Agency Guarantee Amount	Guarantee amount of the obligation of the Financial Agency	Amount of overdue debt on principal	Number of days past due on principal	The number of days overdue for the payment of remuneration	Object of lending (investment loan/ replenishment of working capital)	Code for the common classifier of types of economic activity (CCEA)
18	19	20	21	22	23	24	25

continuation of the table

Project business (start-up/active)	Availability period under a bank loan agreement/Credit line agreement	Date of decision of the authorized body of the bank	Classification category according to the requirements of the National Bank of the Republic of Kazakhstan
26	27	28	29

Official _____

Last name, first name, patronymic (if available) (signature, seal (if available))

Responsible employee _____

Last name, first name, patronymic (if available) (signature, stamp (if available))

Annex 5
to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and
Development Program
“Business Roadmap 2020”
form

Guarantee report (submitted by the Financial Agency in the context of the directions of the Program to the authorized body)

No.	Name of the area	Loan amount under a bank loan agreement	Amount of actual disbursement of funds	About the debt debt profile
1	2	3	4	5

continuation of the table

Financial Agency Guarantee Amount	Balance Guarantee Amount	Amount of obligations fulfilled by the Financial Agency for Guarantees
6	7	8

Official _____

Last name, first name, patronymic (if available) (signature, stamp (if available))

Responsible employee _____

_____ Last name, first name, patronymic (if available) (signature, stamp (if available))

Annex 6
to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and Development
Program
“Business Roadmap 2020”
form

Act on the impossibility of monitoring in connection with the failure to provide/refuse to provide the grantee with information for monitoring the project

We, the undersigned, _____

(Surname, name, patronymic (if available) (hereinafter referred to as the full name) of the director/deputy director,

full name of the specialist(s) have drawn up this

Act stating that ____ . ____ . ____ (the name of the bank/entrepreneur) did not provide/refused to provide information necessary for monitoring the project

Director/Deputy Director of the Regional Branch of the Financial Agency _____

Name (signature, seal (if available) Specialist Regional branch la Finance Agency _____

Name (signature, stamp (if available)

Annex 7
to the Rules for
Monitoring Projects
Implemented as part of Entrepreneurship
Financial Support Programs
under the
State Business Support and
Development Program
"Business Roadmap 2020"
Form
" ___ " _____ 20 ___

Act on the refusal to sign a document

We, the undersigned, _____

(Surname, name, patronymic (if available) (hereinafter referred to as the Full Name)
of the Director/Deputy Director of the Financial Agency, _____

Full name of the specialist(s) of the
Financial Agency) have drawn up this Act that ____ . ____ . ____ was sent by the
Regional
Branch of Damu Entrepreneurship Development Fund JSC to (name of the bank /

entrepreneur) (method of sending (by mail, registered letter
(name of the document (report on Documentary Monitoring of Projects /
Monitoring Report according to the project) received (name of the bank /
entrepreneur's unit) ____.____.____, which is confirmed (receipt of delivery, note of
the

office of receipt) for signing up to ____.____.____.

As of ____.____.____, this document not signed by an authorized
representative (name of the bank/Islamic bank/leasing company) /
entrepreneur/issuer/grantee (reflect as necessary).

Director/Deputy Director of the Regional Branch of the Financial Agency

Name (signature, seal (if available) Specialist of the Regional Branch of the
Financial Agency _____

Full name (signature, seal (if available)