

Crypto regulation in Kazakhstan

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Sources

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Crypto Legislation

- Law on digital assets in the Republic of Kazakhstan 2023
- Kazakhstan "On Astana International Financial Center"
- AIFC Rules on Digital Asset Activities (DAA) (commencement date: 01.01.2024)
- AIFC General Rules (GEN)
- AIFC Fees Rules

AML Regulation

- AIFC Anti-Money Laundering Rules
- FATF Standards on Virtual Assets and Virtual Asset Service Providers

Taxation

- Code of the Republic of Kazakhstan «On Taxes and Other Obligatory Payments to the Budget" (Tax Code)

Overview



Overview

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Kazakhstan introduced two different approaches to regulating digital assets:

- **General regulation** which is applicable to the Republic of Kazakhstan; and
- **Regulation of the Astana International Financial Centre (AIFC)**.

AIFC is a special territory in Kazakhstan with a comprehensive legal regime for attracting, implementing and protecting investments based on the most business-friendly AIFC Law based on the principles, norms and precedents of the law of England and Wales and/or standards of the world's leading financial centres. It is important to note that AIFC digital asset regime is focused on financial services carried out with regard to digital assets.

The concept and types of digital assets, as well as the procedure and conditions of issuance (except for digital mining), placement, circulation, and storage of digital assets in the AIFC shall be determined by the acts of the AIFC.

Requirements for digital assets exchanges and the procedure for their licensing in AIFC are determined by AIFC acts.

The regulatory body of AIFC is the Astana Financial Services Authority (AFSA).

This report will firstly analyse the general regulation of the Republic of Kazakhstan governed by Law on digital assets in the Republic of Kazakhstan, and secondly, the regime established by ASFA in AIFC.

Status of regulation:
positive

Tips & Tricks by D&A Partners

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Kazakhstan, as a member of the Eurasian Economic Union (EAEU), offers strategic market access for crypto projects looking to tap into this regional market. This access is a significant advantage for crypto businesses aiming to expand their reach across the EAEU member states, providing a broad potential customer base and diverse investment opportunities.

The Astana International Financial Center (AIFC) in Kazakhstan is a key financial hub that is rapidly developing as a zone conducive to crypto projects. The AIFC operates under a special legal regime based on English common law, which provides a familiar and stable legal environment for international businesses and investors. This legal framework is particularly attractive for crypto projects due to its clarity, predictability, and alignment with international legal standards.

Despite the favourable environment, Kazakhstan has seen a limited number of crypto projects realized to date. This is primarily due to regulatory challenges and a lack of clear guidelines for crypto businesses.

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