Early Warning System

EBRD-162051

Kazakhstan: A New Framework Model for the Insurance Market

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Quick Facts

Countries	Kazakhstan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Borrower	Government of Kazakhstan
Sectors	Finance, Law and Government, Technical Cooperation
Investment Type(s)	Advisory Services

Project Description

As stated by the EBRD, over the past decade, Kazakhstan's insurance sector has expanded and modernised, supported by regulatory reforms, wider distribution of insurance services, and steady growth in both compulsory and voluntary insurance. One of the key developments was the reorganisation of the authorised body for the regulation, control and supervision of the financial sector and the establishment in 2020 of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market (the "Agency"), which strengthened the supervision and protection of consumer rights. Another important milestone was the approval in 2022 of the Concept for the Development of the Financial Sector until 2030, which identified priority areas for reforms.The insurance market is showing steady growth dynamics in all key indicators. At the same time, the share of the sector's assets to the country's GDP remains at the level of 2.6%, which indicates that the potential of insurance is not fully used for the development of the economy, the low level of penetration of insurance services limits the possibilities of long-term investment and economic growth.At the beginning of 2026, the Head of State instructed the Agency and the National Bank of the Republic of Kazakhstan (the "NBK") to develop a Program for the Development of the Insurance Market until 2030 and to adopt the new Law on Insurance Activities of Kazakhstan. It aims to promote the development of the domestic insurance market by creating more favorable conditions for its further expansion, increasing sustainability, diversifying insurance products and deepening the level of insurance protection for the economy and the population.The assessment phase will contribute to a comprehensive assessment of the insurance market in Kazakhstan and the development of the Insurance Market Development Program (the "Program"), which will be carried out by a Market Consultant and an International Legal Consultant that will be engaged by the Agency. For the implementation of the Program, the EBRD will conduct a project to develop a new Insurance Law, along with the necessary amendments to related legislative acts.

Technical Assistance Services

As a result, the EBRD intends to conduct a project to assist the Agency: (I) analyse and map existing laws and regulation applicable to the insurance industry in Kazakhstan. (II) review the gap analysis and international legal benchmarking prepared by the Market Consultant and the International Legal. (III) collaboration with the Market Consultant and the International Legal Consultant on the discussion of the proposed recommendations. (IV) develop the draft new insurance law, along with the necessary amendments to related legislative acts to implement the findings and agreed recommendations. (V) prepare a final report. The EBRD will be seeking to engage a Kazakh law qualified consulting company or a consortium of Kazakh law qualified consultants to undertake the assignment of the Project.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Information on the investment amount not provided at the time of disclosure.

Contact Information

EBRD project enquiries not related to procurement:

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Email: projectenquiries@ebrd.com

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html