



DAMU
ENTREPRENEURSHIP
DEVELOPMENT FUND

CONDITIONS OF THE
GUARANTEE FUND MECHANISM

Creation of two Guarantee funds

- For projects no more than **7 billion tenge**
- For large projects

PRIORITY INDUSTRIES

GUARANTEE FUND 1

The list includes over 60 General Classifier of Economic Activities codes, covering a wide range of industries. Key areas:

- **Manufacturing** – the largest sector, including food, textile, pharmaceutical, mechanical engineering, metallurgy, and others.
- **Transportation and logistics** – including freight transportation, warehousing, and postal services.
- **Agriculture and fisheries** – excluding certain crops.
- **Services** – in the fields of IT, education, healthcare, architecture, and auditing. The list focuses on supporting manufacturing, infrastructure, and social services.

GUARANTEE FUND 2

- **Manufacturing industries, Mining, subject to further processing of extracted/mined materials,**
- **Agro-industrial complex (AIC),**
- **Creation and/or development of infrastructure facilities in the following industries:**
 - energy
 - power supply
 - heat supply
 - water supply and sanitation
 - communications
 - transport
 - tourism
 - healthcare and education
- **as well as related infrastructure**

Guarantee Fund Products 1:

- Loans
- Leasing
- Contingent liabilities
- Forward contracts

Basic conditions:



Target group

- Private business entities



Amount of funding:

- **Not more than 7 billion KZT**



Goal:

- Investments
- Working capital
- Refinancing



Кредиторлар

- Second-tier banks, leasing companies, Subsidiaries of the national investment holding “Baiterek”, National company Food contract corporation JSC



Sources of the Fund's funds:

- The Fund's own funds
- Annual contributions of the second-tier banks
- Funds of the Government of the Republic of Kazakhstan
- Contributions of other legal entities



General Classifier of Economic Activities:

- Priority industries
- Non-priority industries

the ratio is established by agreement between the Financial Agency and the creditor



Guarantee amount:

Up to
85% Дейін
of the financing amount
up to 3,5 billion KZT



Warranty period:

+ 5 months



Commissions:

1.5% of the guarantee amount one-time and annually from the remaining guarantee amount



Funding currency:

KZT and/or foreign currency

Counter-commitments:



For investment projects, a 10% increase in taxes and jobs within two financial years from the date of the creditor's decision.

1



A Portfolio Agreement is concluded between the Lender and the Financial Agency

2



The lender makes a positive decision on the possibility of providing financing to private business entities

3



The lender enters into a Loan Agreement with the borrower and sends a package of documents to the Financial Agency

4



Issue of a guarantee obligation by the Financial

* Agency

* Private enterprise entities (PEEs)

** List of documents

- Copy of the Loan Agreement

- Copy of the Lender's authorized body's decision on financing

- Copy of the document confirming the Borrower's payment of the guarantee fee

Guarantee Fund Products 2:

- Loans
- Contingent liabilities
- Leasing
- Bonds
- Options

Basic conditions



Target group:

- Private business entities



Amount of funding:

- More than 7 billion USD**



Goal

- Investments
- Working capital
- Refinancing



Creditors:

Second-tier banks, leasing companies, Subsidiaries of the National Investment Holding “Baiterek”, foreign banks, International financial institutions



Sources of the Fund's funds:

- Funds of the Government of the Republic of Kazakhstan
- Funds of the Sole Shareholder



General Classifier of Economic Activities:

Manufacturing industries, mining, subject to the further processing of extracted/mined materials, the agro-industrial complex, and the creation and/or development of infrastructure facilities in the energy, power supply, heat supply, water supply and sanitation, communications, transportation, tourism, healthcare, and education sectors, as well as related infrastructure.



Guarantee amount:

no more than 30% of the project cost, but no more than three times the reserve amount



Warranty period:

up to 20 years



Commissions:

1.5% per annum of the guarantee amount and is paid in a lump sum upon signing the guarantee agreement for the entire term of the guarantee



Funding currency:

KZT and/or foreign currency

For liabilities in foreign currency, the entrepreneur confirms the presence of annual foreign currency revenue of **at least 30%** of the total revenue on the date of application for financing.

The entrepreneur is obliged to ensure participation in the implementation of the project with his own funds (money, movable/immovable property acquired for the purposes of implementing the project) in the amount of at least 20% of the total cost of implementing the project.

1



The lender makes a positive decision on the borrower

2



Financial agency review of projects

3



Decision-making by an authorized body of the financial agency

4



Conclusion of the loan agreement between the lender and the borrower

5



Issuance of the guarantee by the financial agency

6



Disbursement by creditor