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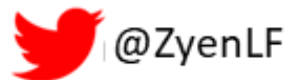


Global Financial Centres 2020 Focus On Nur-Sultan

17 April 2020



Financial Centre Futures



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Focus On Nur-Sultan

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Financial Centres of the World: Focus on Nur-Sultan

Astana International Financial Centre
Prof. Alexander Van de Putte, Chief Strategy Officer
Baur Bektemirov, Chief Economist



Agenda

Introduction: Alexander

History and Milestones: Baur

Vision, Mission, and Strategic Directions: Alexander

The Journey Ahead: Alexander & Baur





History & Key Priorities of the Initial Stage

The Constitutional Statute adopted in 2015 serves as a basis for the establishment of the AIFC with unprecedented conditions:

- Special legal regime based on English Common law
- Independent judicial system
- Arbitration centre for alternative dispute resolution
- 0% corporate / individual income tax until 2066
- Special currency regime
- Simplified visa and labour regime
- English as an official language

Key priorities for 2016—2020:

- Transparent and clear legal regime
- Independent regulation
- World-class exchange infrastructure
- Access to sovereign wealth funds
- Development of green finance
- Create a favourable business environment



AIFC Structure



Other Key Bodies



Expat Centre



Business Connect



Fintech



GFC



BCPD



Highlights & Key Milestone

- AIFC became fully operational in 2018
- “e-Justice” system to maximise access to justice
- “Digital resident” for registration and licensing
- The legal and regulatory framework leverages international standards (IOSCO, Basel, IFSB, AAOIFI, IAIS, OECD, FATF, IFRS and US GAAP)
- Accession to the IOSCO and IAIS MMoUs for cross-border supervision
- Reserve pool of over 5,000 local professionals
- Over 7,500 gov’t services provided to expats
- Open sky policy introduced in 2019
- Over 430 companies from over 35 countries
- Establishment of sovereign PE Fund in 2018
- Investment residency program introduced in 2019
- Equity and Bond trading at AIX
- Green bond taxonomy was introduced in 2019
- First listed fund UCITS ETF SICAV in Aug 2019
- First listing of Sukuk issued by QIIB in Mar 2020
- First listing of RMB-denominated (Falcon bond) issued by CCB in Mar 2020
- Fintech lab (sandbox) with 17 participants





Vision and Mission as a Guide to Action



To become the leading international financial centre in the region

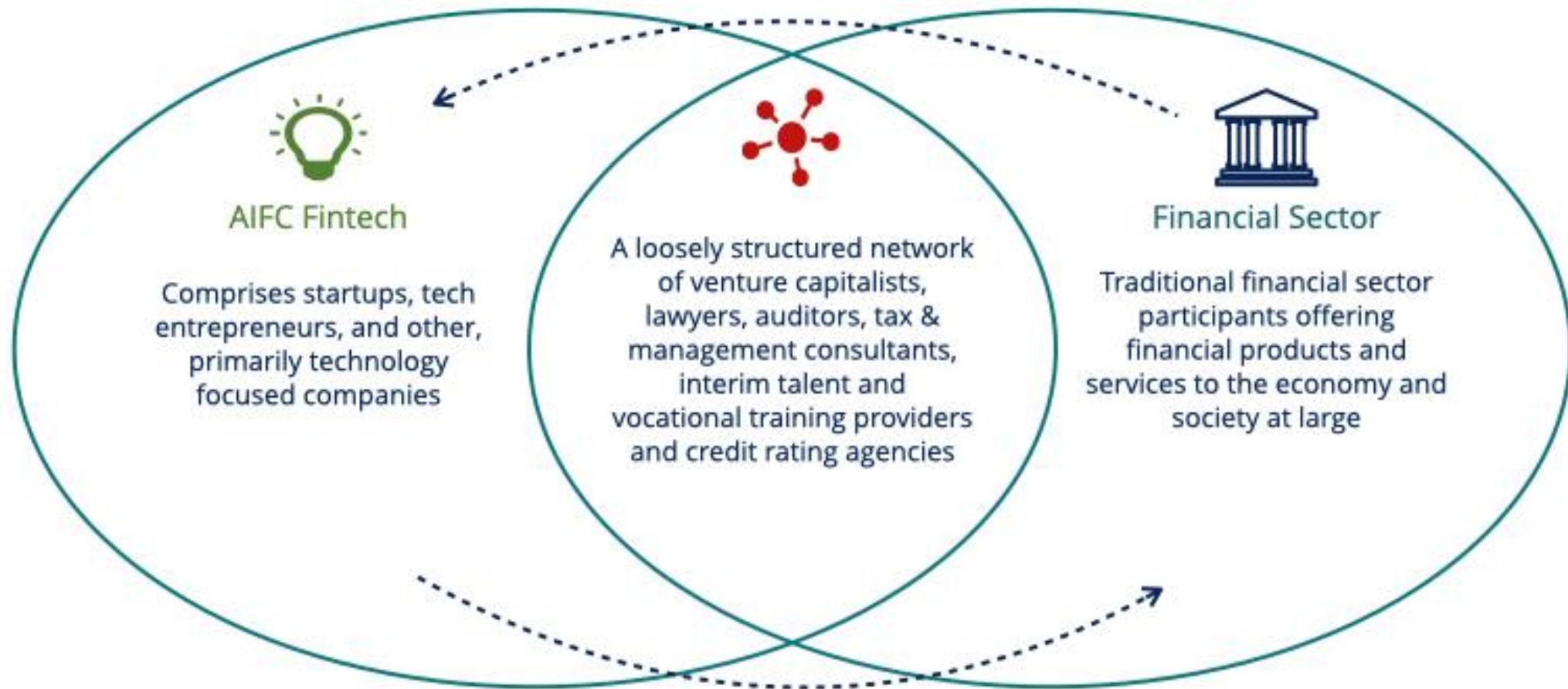
(Region: Central Asia, the Caucasus, EAEU, Western China, Mongolia, and Eastern Europe)



To contribute to the sustainable economic development of the Region by fostering innovative financial products and services

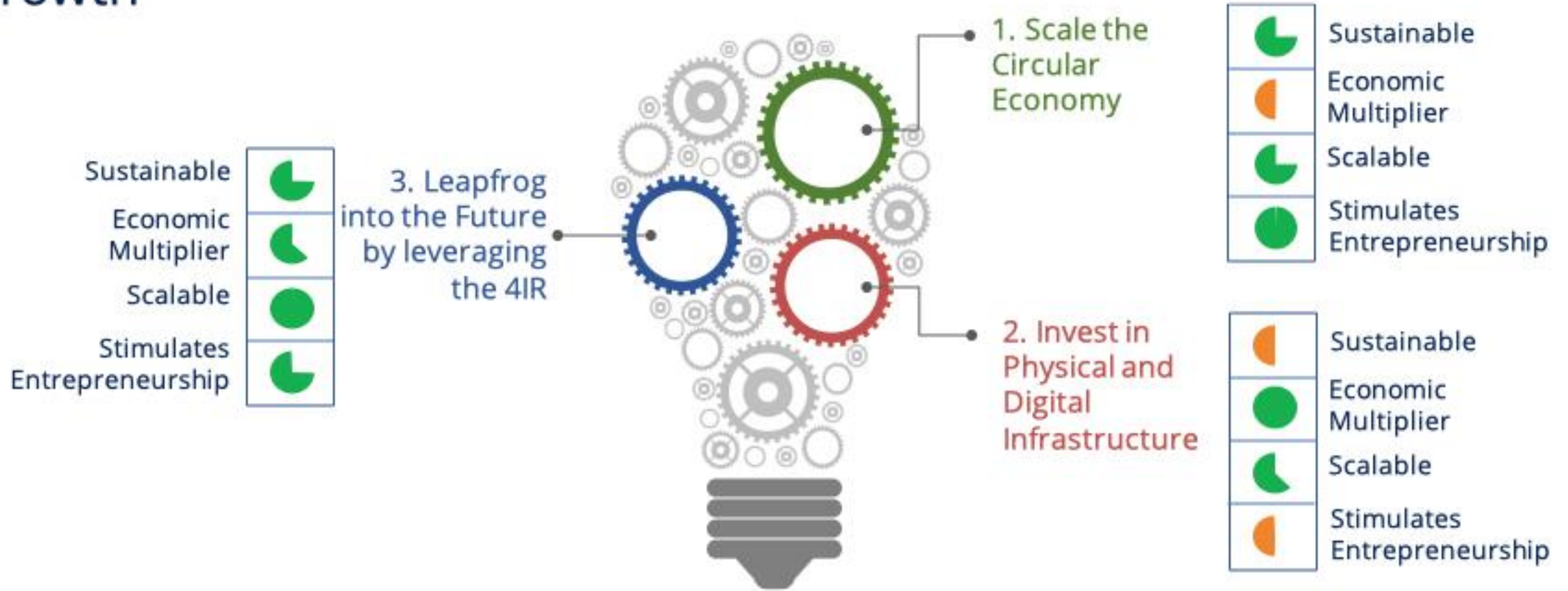


AIFC as a Dynamic Ecosystem



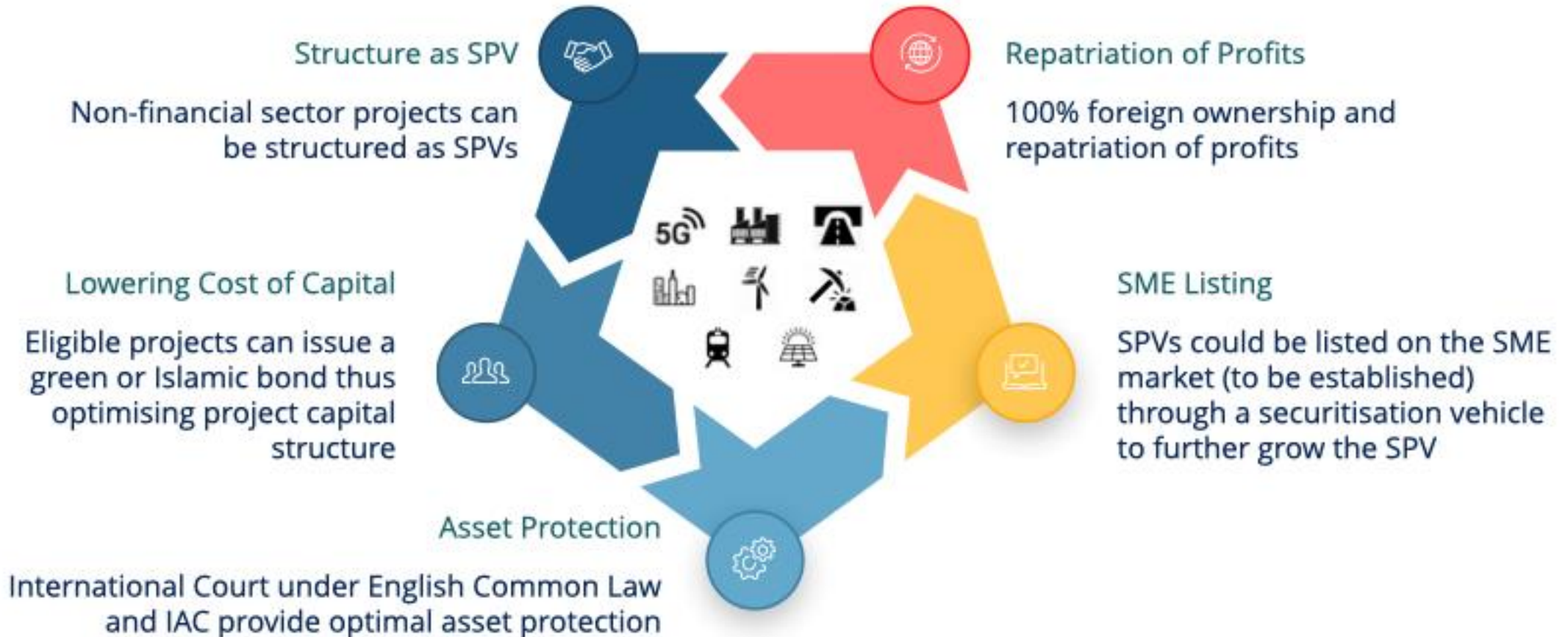


Strategic Directions to Drive Sustainable Growth





A Platform to Help Manage Risks for Foreign Investors







Journey Ahead: Key Highlights

- Digital financial centre
- Innovative ecosystems, financial technology, and sustainable & responsible finance
- High-quality human capital
- Belt and Road market
- Fourth Industrial Revolution Centre in partnership with the World Economic Forum
- Engage and support the government and other stakeholders in delivering successful privatisation of SOEs
- Specialised trading platforms (junior mining, SME, commodities)
- Transition from frontier to emerging market status on the MSCI and FTSE
- Localise leading financial institutions to provide world class financial services in the region
- Leverage on regtech and supotech developments in enhancing risk-based supervision



Stress Testing Our Strategy

To stress test our strategy we developed scenarios to explore how the global health crisis could develop and assess its socio-economic implications. Several key findings:

- The world was ill-prepared to weather a crisis of the magnitude that we are currently experiencing.
- The oil end game is being accelerated independent of the scenario.
- The crisis is going to transform many aspects of life.
- Global supply chains are being re-configured and the digital transformation of manufacturing, including digital manufacturing is happening.

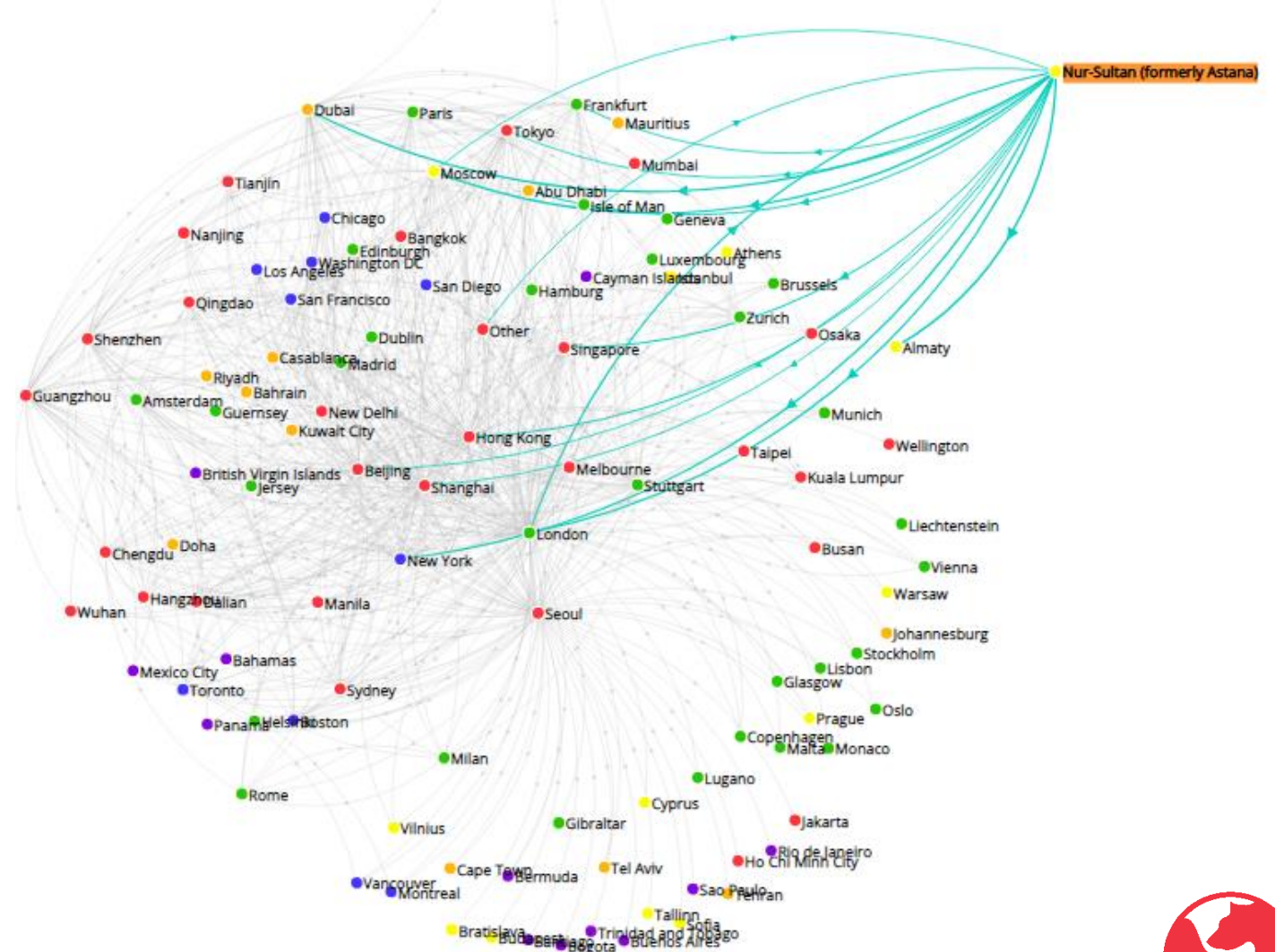
There are even bigger risks looming on the horizon:

- The current health crisis maybe provides us with a preview of what a full-fledged climate crisis could entail in terms of simultaneous exogenous shocks to supply and demand, disruption off supply chains, and global transmissions and amplification mechanisms.
- McKinsey argues that investments in climate-resilient infrastructure and the transition to a lower-carbon future can drive significant near-term job creation while increasing economic and environmental resiliency.

We are therefore confident that our Mission and our Strategic Directions remain valid in a post COVID-19 world given that it is Affordable, Safe, Environmentally Sound and Resilient.

Nur-Sultan – An External View

- Enormous progress since opening in 2018
- Adoption of common law – supports business confidence and inward investment
- Regulatory quality and international partnerships
- Strong infrastructure
- Well-connected to leading centres – London, New York, Tokyo, Beijing, Dubai, Moscow





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Nur-Sultan's Strengths

- Strong position of banks in providing domestic credit
- Development of green finance
- Islamic finance
- Individual and corporate tax rates
- Strong education system
- Belt-Road Initiative positioning



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Nur-Sultan – What Next?

- ◆ Improvement in international measures
 - Energy sustainability
 - Ease of doing business
 - Domestic transport network
 - Islamic finance

- ◆ Continual progress
 - Regulatory systems
 - Sustainable finance
 - AI and fintech



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Questions, Comments, And Answers



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Thank You

Global Financial Centres Index 28 September 2020



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