

## Doing Business: Marine Industry in Kazakhstan

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### Marine Industry in Kazakhstan

Despite the fact that Kazakhstan is considered to be a landlocked country, it has a comprehensive legal framework for its maritime industry. This is due to the fact that Kazakhstan is one of the five coastal countries of the Caspian Sea, and has attracted significant amounts of foreign investments due to the enormous oil and gas reserves of this region.

The maritime industry in Kazakhstan is primarily governed by the Commercial Shipping Act. This law sets out certain specific requirements that a foreign shipping company should comply with in order to perform maritime transportation services in Kazakhstan.

Firstly, a foreign legal entity must register its legal presence in Kazakhstan. After the establishment of a local subsidiary, this requirement may be satisfied; registration of a local branch (or a representative office) would not be sufficient.

Secondly, the foreign company must register its vessel in Kazakhstan. Kazakhstan is a jurisdiction with a dual maritime registration system, which means that a vessel may be registered in Kazakhstan either permanently if it is transferred into the ownership of a local company, or temporarily if ownership of the vessel is retained by a foreign company and the vessel is chartered by a local company on a bareboat basis.

Finally, all necessary government licenses and permits must be obtained by the shipping company, including a transportation license issued by the Ministry of Transport and Communications.

Certain documents (such as the classification certificate, certificate of seaworthiness, etc.) which are prescribed by Kazakhstani law and international treaties to which Kazakhstan is a party, must be kept onboard each vessel operated in Kazakhstan.

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