

Islamic Financing
For Aviation Industry



AIFC Aviation Finance Hub



Leading IFC in the region

AIFC is strategically positioned to service the growing market of Central Asian countries and neighbouring CIS countries, which encompass a region with

a combined GDP of \$2.81 trillion and a population of 252 mln people



Astana is the highest ranked city in the region (GFCI 39 as of March 2026)

What is AIFC?

Astana International Financial Centre is a rapidly developing financial hub located at the crossroads of Europe and Asia in the capital city of Kazakhstan.

With its cutting-edge infrastructure and favourable business environment, AIFC is quickly becoming a hub for global investment, innovation, and growth.



About Aviation Finance Hub



Facilitation of aircraft financing & leasing



Support of Sustainable Aviation development



Aviation trainings

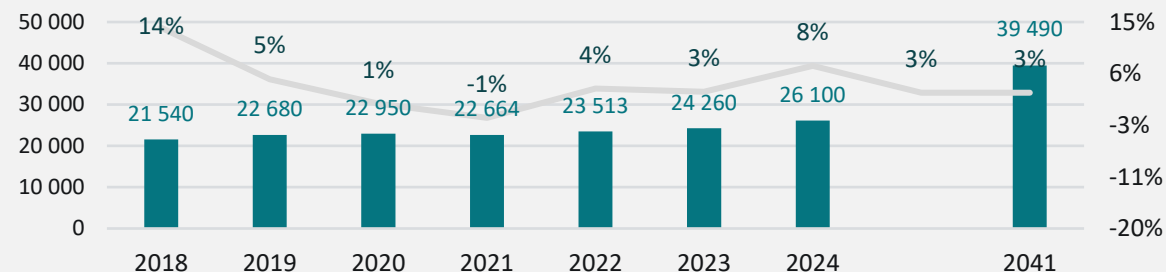


Aviation Consultancy from AIFC

- AIFC offers aircraft lessors a world-class jurisdiction that uniquely combines the asset security of English Common Law with a tax-neutral environment -effectively neutralizing regional risk while maximizing market access
- AIFC through Green Finance Center facilitates the development of sustainable aviation in the region by supporting SAF projects, and promotion of CORSIA carbon credits
- AIFC bridging the aviation industry's skills gap by domestically training finance and legal specialists
- AIFC promotes the attraction of international and local experts to create an excellence center of competence in the field of financial and technical consulting for airlines

Global outlook on aircraft demand

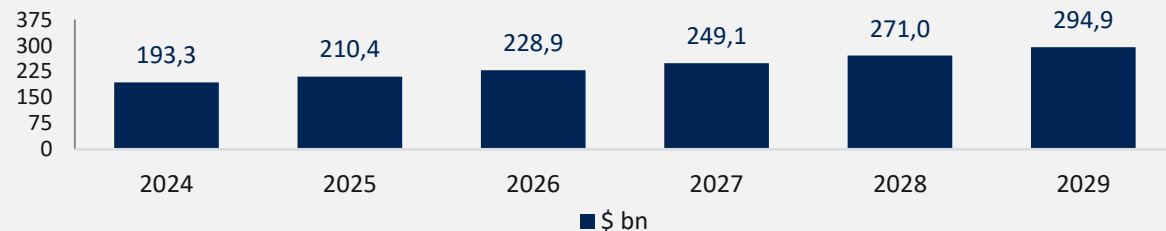
Commercial aircraft growth dynamics



Source: Airbus, ch-aviation, Cirium Aviation Analytics

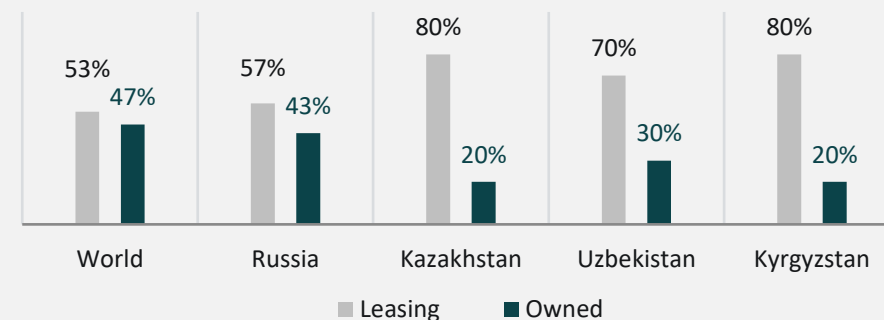
According to Airbus forecasts, global demand for new commercial aircraft is expected to increase by approximately 51% between 2024 and 2041, reaching 39,490 units. The compound annual growth rate (CAGR) over this period is projected at 3%.

Global aircraft leasing market size (\$ bn)



Source: thebusinessresearchcompany.com

Breakdown by type of aircraft finance

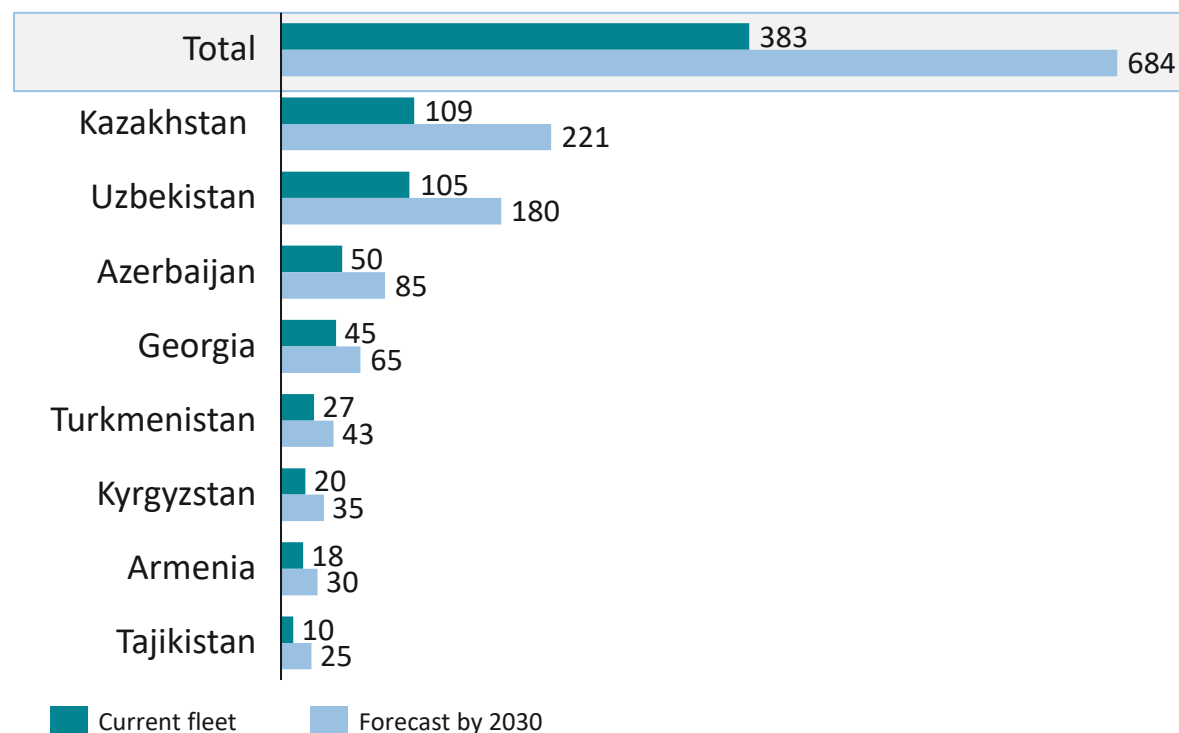


The **aviation industry is on a clear growth trajectory**, with a demand for over 13,000 new aircraft by 2041. This **global expansion is primarily driven by leasing**—the world's most popular financing model, now accounting for 53% of the entire fleet.

This creates a massive opportunity, and the **AIFC is strategically positioned to capture it, offering a world-class jurisdiction built to serve the needs of global aircraft lessors.**

Central Asia & Caucasus: Fleet expected to double by 2030

Regional commercial aircraft expansion by 2030

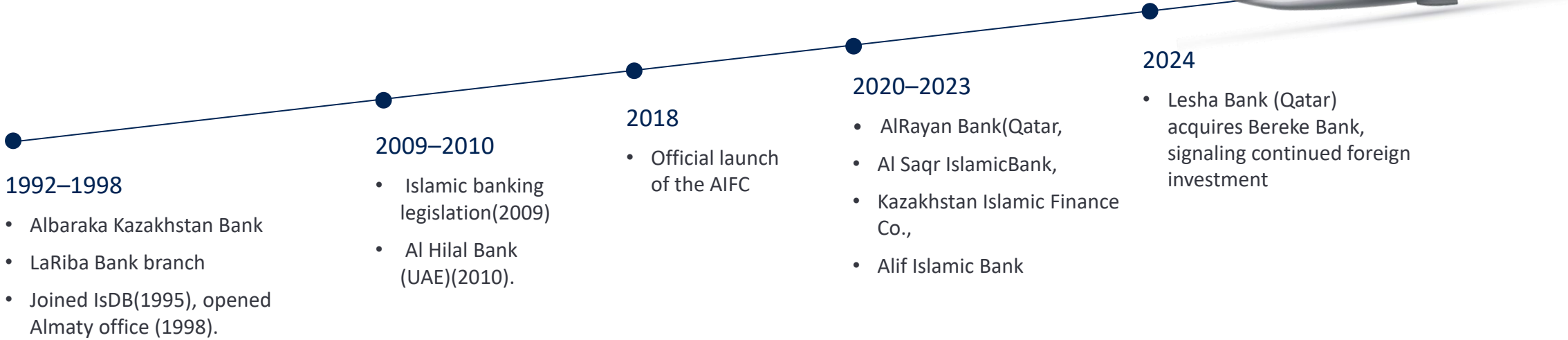


Source: National agencies of each country, AIFC Aviation Finance Hub analysis

Comments

- The regional fleet anticipated to double by 2030, this market constitutes a high-potential growth area within the global aviation landscape
- Kazakhstan maintains its leadership position, with a projected fleet expansion to over 200 aircraft. This aligns with its national strategy to establish multi-modal cargo and passenger hubs, supported by the liberalization of its "Open Skies" regime
- Uzbekistan demonstrates the most aggressive growth trajectory, aiming to more than double its fleet to 180 aircraft. This reflects the country's rapid economic opening and its mandate to transform Tashkent into a rival competitive hub for tourism and transit.

Key Milestones in the Development of Islamic Finance in Kazakhstan



Market Potential

- Kazakhstan, centered around the AIFC, is becoming Central Asia's hub for Islamic finance and a strategic bridge to Europe
- Islamic finance market potential: ~US\$16B across Islamic Finance industry
- Kazakhstan climbs the Islamic finance rankings (22nd in 2023)

Fiscal advantage at AIFC

55+ tax treaties

- ✓ Ireland (Leasing Hub)
- ✓ Singapore (Asia Gateway)
- ✓ UAE (MENA Finance)
- ✓ United Kingdom (Legal)
- ✓ USA (Capital Markets)

	Kazakhstan (AIFC) WHT	Ireland WHT	Singapore WHT
Azerbaijan	Exclusive Treaty Access	Treaty not in Force	No Treaty
Kyrgyzstan	Exclusive Treaty Access	No Treaty	No Treaty
Tajikistan	Exclusive Treaty Access	No Treaty	No Treaty
Turkmenistan	Preferential Regional Rate	No Treaty	Treaty in place

AIFC – Aviation Finance Hub

Tax types	Kazakhstan (KZ)	AIFC regime	
		Authorised companies	Non-authorised companies
Corporate income tax (CIT)	20%	0%	20%
Value added tax (VAT)	16%	0%	16%
Withholding tax (WHT) on dividends and capital gains tax (CGT)	5-15%	0%	0%
Dividends paid on shares or participation interests of an AIFC participant company	20%	0%	0%
Capital gains from sale of shares or participation interests of an AIFC participant company	20%	0%	0%
Personal income tax (PIT) for foreign employees	10%	0%	10%
Capital gains from sale of securities listed on AIX	0%	0%	0%
Interest on securities listed on AIX	0%	0%	0%
Dividends on securities listed on AIX	0%	0%	0%

Asset safety standards

ICAO SAFETY COMPLIANCE

82%

- Above global average (67%)
- Above EUR/NAT regional benchmark (77%)
- All restrictions lifted from the European Commission's Air Safety List
- Active progression towards US FAA Category 1 status via the ongoing IASA assessment

CAPE TOWN & IDERA FRAMEWORK

- Kazakhstan is a Contracting State to the Cape Town Convention and the Aircraft Protocol, providing a globally recognized standard for asset-backed financing
- Clear legal mechanisms are in place for the Irrevocable De-Registration and Export Request Authorization (IDERA), granting lessors control over the asset in default.

Providing Islamic Finance license requirements

Requirements	Minimum threshold	Requirements	Minimum threshold
Application Fee (paid once)	14 000 USD	Organizational structure	<ul style="list-style-type: none"> • Appointment of a Board of Directors; • Appointment of approved and designated individuals (CEO, Finance Officer, Compliance Officer, MLRO and a deputy MLRO, Risk Manager, Internal Audit Manager); • Appointment of committees within the company (Risk Committee, Compliance Committee etc.); • Shari’ah Supervisory Board (at least 3 members) <i>(applicable for Providing Islamic Finance)</i>
Registration Fee (paid once)	500 USD (via portal) or 1 500 USD (on paper)		
Supervision Fee (annually)	9 800 USD		
Minimum Capital Requirement	The Base Capital Requirement for a Credit Provider is 2 million USD*		
Liquid Assets Requirement	Must be maintained in accordance with AIFC Islamic Banking Business Rules	Policy requirements	Each applicant will be required to submit documentation evidencing the internal control systems that will govern the affairs of the applicant as part of the authorization process AML Policy, Internal Control Policy, Compliance Manual, Compliance Monitoring Program, Risk Management Policy, Remuneration Policy, Outsourcing Policy, Business Continuity Plan/Disaster Recovery Plan, Conflict of Interest ,Internal Audit Policy, Investment Research Policy, Islamic Financial Business policy and procedures, Shari’ah Supervisory Board Policy
Appointment of Internal and External Auditor	Required		
More detailed information	AFSA – Astana Financial Services Authority » Providing Islamic Financing		

**However, a special waiver currently applies, allowing for a gradual increase in capital requirements from USD 100,000 to USD 2 million over a 36-month period, depending on whether the company uses only its own funds or also external financing*



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