**Why the National Bank decided to issue grants?**

The goal of the National Bank is to develop economic research, mobilization of the scientific potential of the academic community in the field of monetary policy and financial stability. Grants are also aimed to raise public awareness and the level of discourse on the issues of monetary policy, financial stability and other activities of the National Bank.

We want to develop economic research. To involve in research on topics of our interest students, professors, and professionals in their field. The topics we propose for grants overlap with our own research. We hope that by conducting parallel research with the academic community, we will set a certain tone and direction for research on issues of relevance to practice. Of course, all these topics are directly related to the mandate tasks of the National Bank and the Agency on financial regulation. These are monetary policy and financial stability, but there are also issues on fiscal policy. We hope that by mobilizing the resources of universities and research centers, we will be able to raise public awareness and the level of economic discourse.

**What are research topics for the grants to be provided?**

Grants from the National Bank will be provided for research in the field of monetary policy, financial stability and macroeconomic policy. The list of research topics for grants in 2021, as well as more detailed information on each research topic (technical task, terms of research and contact details of responsible persons) are presented in the Competition Documentation.

*Research topics are as following:*

*1. Independence of the central bank and inflation targets attainability*

*2. Fiscal policy framework*

*3. Budget spending: cyclical shocks and fiscal multipliers*

*4. Mechanisms of emergency liquidity assistance*

*5. Import substitution and diversification policies: efficacy analysis*

*6. Live prices: alternative ways to monitor services inflation*

*7. Household debt, heterogeneity and financial stability*

*8. Segmented labor market: cyclical elasticity of demand for skills*

*9. Derivatives market: barriers and policies for development*

*10. Private equity market in Kazakhstan and prospects for its development*

*11. Protection mechanisms of qualified and non-qualified investors in the securities market: experience of the European Union legislation including the principles, methods and requirements to the assessment of a risk profile and investor qualification*

*12. Mechanisms for increasing liquidity and the depth of stock market: international experience and implementation in Kazakhstan’s environment*

*13. Reverse annuities as a source of lifetime payouts under the long-time care of an elderly person. Building an economic and mathematical model for the Republic of Kazakhstan*

*14. A comparative analysis of the European concept for the Solvency II risk-based model and the Chinese C-ROSS risk assessment model as well as their mathematical research implementation into the insurance market of Kazakhstan*

**Who can participate in the competition? Can individuals participate in the competition and submit applications?**

Applications can be submitted by universities, research organizations. On the topics where it is necessary to conduct surveys, we are ready to consider proposals from organizations that are able to collect and process such data. An applicant must not be subject to the process of liquidation or bankruptcy.

We do not accept applications from individuals. But this should not be a limitation for interested performers. If you do not work at a university, research center or academic organization, but have appropriate qualifications in topic and are interested in participating in the competition, we recommend you to contact universities, research organizations to apply on their behalf and to include you in a research group. Please note that universities and research organizations can attract freelancers to be included in a group of researchers who will conduct the research.

**Can foreign organizations participate in the competition?**

No, applications can only be submitted by organizations that meet the qualification requirements and are residents of Kazakhstan. Grants are provided to develop academic potential in Kazakhstan. However, universities, research organizations may include non-resident individuals who are full-time or part-time employees.

**Can foreign experts/professors participate in the competition?**

Yes, as performers, including leading performers, and if they have the appropriate qualifications and apply from a resident organization or a resident university.

**What are the conditions for granting grants?**

The grant is provided to cover the costs directly related to conducting research and indicated in the estimate of costs for research and in their justification. The recipient of the grant, within the time frame stipulated by the agreement, must submit to the National Bank an interim and final report, as well as reports on the use of the allocated grant with supporting documents attached. Upon completion of the work under the grant, the performers publish the research results in peer-reviewed academic journals. All conditions for the provision of grants are specified in the Agreement, as well as in the Competition Documentation.

**Is it obligatory to publish research results?**

After finishing research and approval of the final report by the Grant Commission, leading performers within 12 months must publish research results in peer-reviewed publications. They also have to notify the National Bank of the fact of publication, indicating the name and number of a peer-reviewed periodical and (or) scientific publication. We would be comfortable with having an approval from a journal to publish research. And if you do not make it in time due to a refusal or for another reason, we need to be notified.

When published, it should be indicated that research was funded by the grant from the National Bank.

Research results can also be published in the periodical journal of the National Bank "Economic Review" at the discretion of the performers. But the submission of an article made under the grant does not guarantee its acceptance for publication, the decision is made by the editorial board. In any case, the choice of the peer-reviewed publication remains with the performers.

**What is the Research Grant Amount**

The total amount for all grants is 150 million tenge. Distribution of the amount for each topic will depend on the quality of an application and reasonableness of the cost estimate. At the end of October, based on the results of review and consideration of all applications received before September 24, the Commission will make a decision on all applications. More than one grant can be awarded on one research topic - if the budget of the application is reasonable, if the proposed works complement each other, if the leading performers have the necessary experience, reputation and qualifications. And of course, some topics may remain without funding, for example, if they do not receive applications for them or if applications do not meet the minimum requirements.

**How to participate in the competetion?**

To participate in the competition, the applicant must submit an application online at the National Bank's Portal. To do this, you need to register on the main page of the Portal using the electronic digital signature of the applicant.

The application is accompanied by an estimate of the costs of the research, the research rationale with a wide description of the proposed methodology, work plan and expected results. To check up qualifications, the applicant fills in the application form with the relevant information about his organization and the performers, and also attaches the relevant documents. This includes a copy of the charter, a copy of the license to conduct educational activities (for universities) or a certificate of accreditation (for organizations carrying out scientific activities ), copies of documents on the qualifications of the head of research team and copies of publications of leading performers (if any).

The application filling guide is posted on the National Bank's Portal. For technical issues of registration on the National Bank's Portal and filling out applications, you can contact technical support service of the National Bank at 1477.

**Will data be provided on the topic?**

We are ready to help with sending a request to the relevant state bodies, for example, to the Bureau of National Statistics of the Ministry of National Economy and to the Unified Accumulative Pension Fund. However, we cannot guarantee their receipt. In case of refusal to provide data due to any restrictions, applicants should use alternative public data. We only welcome if you can find alternative data sources.

**When submitting an application, what assurances should the applicant make and why?**

When submitting an application, the applicant must confirm the accuracy of the information and documents provided in the application, as well as that he meets the requirements of the grant program and is not in the process of liquidation or bankruptcy. The applicant must confirm that he has familiarized himself with and familiarized the leading performers with the requirements and conditions for selection, generally accepted ethical norms and principles of scientific publications for authors, obligations arising from the receipt of a grant, including the provision of reports on research results and the use of funds, publication of research results and other obligations. At the same time, the applicant, prior to filing an application, must obtain written consent from the leading performers for the direction of applications and attached documents for consideration by independent reviewers, for the collection, processing and storage of the personal data specified in the application by the National Bank. These are generally accepted assurances that are used in international practice when awarding research grants in order to avoid further disputes that may arise if the applicant or performers did not familiarize themselves with all the conditions of receiving grants before applying.

**What is the timing of the competition and research?**

The deadline for accepting applications is 45 days from the date of publication of the announcement, that is, from August 10 to 18:00 hours on September 24 of the current year. However, we recommend that applicants do not postpone the application deadline until the deadline. In case of early filing of applications the applicant will have time to make adjustments to the application and correct its execution, if errors are found in the applications. Also, in the last days of submitting applications, there may be overloads of the Portal.

**When will the consideration of applications end, exactly until what date will the results be known, and in what period is it necessary to conduct research?**

**In what period is it planned to start financing?**

Presumably, by the end of October this year, the applications of applicants will be considered and the grant recipients will be selected. After the selection the NBK and a recepient og the grant will sign a contract. The timing of the research depends on the research topics and is indicated in the terms of reference, which are part of the Competetion documentation. Depending on the research topic, the terms of the research are no more than 4, 6 and 8 months. Immediately after signing the contract between the NBK and the recipient of the grant, the first tranche will be transferred. Research terms start from the date of signing the contract.

**What language is the application submitted in and can applications be submitted in English?**

Currently, applications from applicants are accepted in the state and Russian languages. In the future, the possibility of filing applications in English may also be considered. However, there is no restrictions on the language in which research should be conducted. When providing research (interim and final reports) it could be translated into Russian or Kazakh.

**How will applicants be selected?**

The decision on awarding grants will be made by the Grants Commission. The decision will be based on the conclusions of two independent reviewers, whom we will also attract from the academic environment, as well as the conclusions of the National Bank's division - the customer of the research topic. The Commission includes representatives of the National Bank, the Agency for the Regulation and Development of the Financial Market, the Kazakhstan Stock Exchange and the Association of Financiers of Kazakhstan.

After the decision is made by the Grant Commission, we will post information on the selection results of applicants on the National Bank's Internet resource, indicating the list of grant recipients and the topic of their research. After that, a grant agreement will be concluded with each grant recipient.

**What are the criteria for selecting applications for applicants?**

The selection of applicants' applications will be carried out by the Grants Commission, taking into account the conclusions of independent reviewers and the division of the National Bank - the customer of the research topic according to the following criteria:

1) the quality of research methodology;

2) the competence and scientific groundwork of the leading research performers;

3) the quality and feasibility of the research plan, including the achievement of the expected research results and their practical applicability;

4) the validity of the costs indicated in the cost estimate.

**What are the qualifications for leading performers? Do all performers have to meet publication and degree requirements?**

To conduct research, the applicant attracts team of leading performers. The team’s wark will be headed by the leader of the reasearch. The research leader must have a peer-reviewed publication on topics relevant to the direction of research, as well as an academic degree or work experience in a field relevant to the direction of research. There are no qualification requirements for other leading performers, however, the availability of publications, an academic degree and relevant work experience will be an advantage when considering the competence and scientific background of the applicant's research team.

**If a potential project manager has publications in peer-reviewed publications, but not completely on the research topic, but carried out using the same data (i.e., there is experience with these databases) - is this experience sufficient to lead the project?**

We recommend listing all relevant experience. The applicant's task is to provide the most complete relevant information, as well as point out the connection between the research topic, on the one hand, and the experience and publications of leading performers, on the other. This is necessary in order for the competition committee to have the opportunity to evaluate and compare applications according to all relevant criteria, including the qualifications of the performers.

The research leader must have a peer-reviewed publication on topics relevant to the field of study, as well as an academic degree or work experience in a field relevant to the direction of research. The direction of research includes a broader concept than the topic of research. In the Competetion documentation, we indicated separately the direction of research on all topics. For example, under the topic “Household Debt, Heterogeneity and Financial Stability,” a publication on the analysis of household finances might be indicated.

**Can foreign non-resident specialists involved in the project participate in the project (subject to the availability of appropriate qualifications)?**

Yes, they can, if they have the appropriate qualifications and apply from a domestic organization, for example, from a resident university.

**Based on your answer regarding the possibility of financing several projects on the same topic, approximately what amount will be discussed per project? Since the projects are different, and they have different deadlines, I would not like not to go through the discrepancy between the expected budget and the application (for example, the amount is less than the application, or vice versa)**

The total amount for all grants is 150 million tenge. Specific amounts are not provided for each research topic. We do not set a budget in advance for each topic. The distribution of the amount for each topic will depend on the quality of the application and the reasonableness of the cost estimate. When submitting an application, the applicant encloses the Cost estimate for research and its justification (see Appendix 3 of the Competetion Documentation), which indicates the limitations and reasonableness of the applicant's expenses, including salary and other expenses. So, justification of the costs is confirmed by the number of hours spent, salaries of the leading performers based on the actual salary or the rate of remuneration equivalent to the average salary of a similar position from the applicant. Please note that the time spent in working days or hours for work on the project should not exceed the duration of the research. We ask you to carefully read the Cost estimate for research and its justification.

Thus, budget fit will be determined on the basis of the reasonableness of research and the cost estimate, as well as the overall grant budget for all research topics.

**The duration of the study is from 4 to 8 months, during which period please clarify. Since it will take some time after the announcement of the results of the competition to conclude a contract with the contractor, and I would like to plan in advance the workload of the research teachers for the research period.**

Following the announcement of the results of the competition, a contract will be signed with the recepient of the grant, which is expected to be completed by the end of October. After this, the first tranche will be transferred. Research terms start from the date of signing the contract.

We believe that applicants will start preliminary work prior to the announcement of the results of the competition during the application process (preparation of draft contracts, literature analisys, analysis of data availability, etc.).

**Is it possible, for example, to pledge all the funds as wages and deductions from it?**

Yes, you can, but they must comply with the requirements of the Rules.

**Are there requirements for the allocation of grant funds?**

Grants are provided solely to cover research costs. The requirements and limitations of the costs covered by the grant are set out in the Research Cost Estimates and their justification (Appendix 3 of the Competetion Documentation).

**Can the estimate not include travel expenses?**

Yes, the estimate may not include travel expenses if they are not required for research.

**Can there be costs for purchasing data?**

Yes, the cost of purchasing data can be included in the application if there is appropriate justification (need to purchase data, lack of free data, etc.).

**Based on the comments received, does it mean that the project participants can receive support for the data support of the research? That is, we can request assistance in obtaining certain data?**

We are ready to help applicants with requests to obtain data to the relevant government agencies, for example, to the Bureau of National Statistics of the Ministry of National Economy. But we cannot guarantee their receipt. Data of the National Bank may be presented subject to legal restrictions on confidentiality. Some non-confidential data may be provided by the National Bank with the signing of a non-proliferation and data protection obligation.

**Please name deadlines for submission of interim reports.**

The Competetion documentation contains detailed information on each research topic, including the terms of reference, terms of the research and the deadlines for submission of interim reports (see Appendix 1 of the Competetion Documentation). Interim reports are submitted in the middle of the study period, that is, on various topics, the deadline for submission of interim reports is expected to be from 2 to 4 months, however, applicants can indicate earlier dates in their applications.

**Please, take into account the proposal to adjust the timing of the project, if there is a problem with obtaining initial data.**

The possibility of adjusting the timing will be considered individually, taking into account the presence of truly objective reasons for the delay in receiving data.

However, we tried to maximize the timing of the research, the time for preparatory activities. Therefore, we also expect applicants to be ready to start the project immediately by the end of the competition, having a clear understanding of how the data will be obtained.

**In the terms of reference for all topics, the main conditions for the leading research performers are indicated; peer-reviewed publications and work experience / degree in the field. Q: will lead performers only be considered if both of the above criteria are met? Or will work experience and a degree be enough?**

Qualification requirements are established only for the research leader, who is chosen from the leading performers team. The research leader must necessarily have publications in peer-reviewed journals, and also meet at least one of the following requirements - to have either experience or an academic degree in the relevant fields, or both.

There are no mandatory requirements for other leading performers, but please note that these are minimum requirements. The more performers have relevant experience and publications, the stronger the application is. All of this will be taken into account by independent reviewers when evaluating the application and making decision.