



IN THE COURT OF FIRST INSTANCE

OF THE ASTANA INTERNATIONAL FINANCIAL CENTRE

27 July 2026

CASE No: AIFC-C/CFI/2024/0028

International Academy of Medicine and Science Limited Liability Partnership

Claimant

v

State Institution "Health Department of Almaty Region"

Defendant

ADDITIONAL JUDGMENT

Justice of the Court:

Justice Lord Faulks KC



JUDGMENT

1. This application involves yet another issue between the parties in this long running dispute between the Claimant, the Private Partner, and the Defendant, the Public Partner, in relation to the construction and management of a hospital in Almaty (“the PPP facility”).
2. I have already given a number of judgments in this dispute but, for the purpose of this application before me, I need only refer to that the 12th of May 2026.
3. Because of the number of issues between the parties, I had suggested that negotiations should take place to see if agreement, at least on some issues, could be reached rather than all the issues being decided by the Court, acting as a type of contract manager.
4. One of the outcomes of this proposal was that there were certain matters agreed between the parties and recorded in so-called “Minutes of Meetings for the peaceful settlement of the dispute dated the 6th of March 2025, 16th of April 2025 and the 24th June of 2025” (“the Minutes”).
5. The Minutes were submitted to the Court and resulted, among other things, with an application by the Claimant in relation to the connection of external engineering networks (power supply, heat supply, water supply, and sewerage) to the PPP facility at the construction site.
6. It had been recorded in the Minutes that the Public Partner (the Defendant) agreed to amend the final construction terms and prolong the commissioning terms of the main building of the PPP facility under construction for 12 months from the moment of completion of the construction / installation of the relevant networks.
7. The Claimant sought judgment to reflect this apparent agreement between the parties. My inclination was that in the light of this apparent agreement it should prove unnecessary for there to be a court order and that the parties should be able to resolve the matter without one.
8. My optimism proved unfounded and the Claimant has brought the matter back before me seeking an order that: “the construction deadline should be extended by twelve months from the date of connection of all necessary external utility networks (electricity, water, heat heating and sewage) for the PPP facility”.
9. Mr Vataev, for the Claimant, submits that a temporary connection would not be at all satisfactory. There must be proper power lines otherwise there will be a risk that the equipment will not function with possible danger to patients and those working at the hospital. In other words there must be a permanent connection and there must be a timeline as agreed between the parties.
10. The Defendant resists my making such an order. It is argued that, although there were Minutes, following without prejudice negotiations in the terms that the Claimant sets out, there was not a binding agreement since it had not gone through the relevant formalities.
11. I do, of course, accept that negotiations with a view to settlement are generally privileged and do not bind anyone until there is some formal agreement recorded. However, the relevant agreement was not only recorded but was brought specifically to my attention without objection from either side. So that, in my judgment, there was a concluded agreement.



12. As I considered in earlier judgments, I do not regard the original PPP agreement as incapable of variation or modification, if there is clear agreement between the parties, as is the case here.
13. It is pointed out to me that there are a number of formalities which would have to be undergone before any such agreement could be endorsed by the Public Partner. It was also suggested to me that there could be some temporary arrangement for the connection of utilities.
14. I am not impressed by these arguments. I have been told that there is in fact an attempt being made, in the national courts in Astana and Almaty, to invalidate the whole PPP contract. This, says Mr Vataev, is an indication that the Public Partner is trying to avoid its obligations generally under the contract.
15. In conclusion, I accept Mr Vataev's submissions and I am prepared to make an order as he seeks. I wonder whether a specific order is needed, beyond this judgment, but if the Claimant wishes one to be made, I invite a draft to be submitted to the Court for my signature if appropriate.
16. I end this judgment with the repeated exhortation to the parties to try and reconcile their differences without such frequent resort to the Court. Legal costs will be saved and the project can proceed to the benefit of all.

By Order of the Court,

The Lord Faulks KC,
Justice, AIFC Court

Representation:

The Claimant was represented by Mr. Sergei Vataev, Mr. Ilya Kirichenko and Ms. Yelena Dvoretzkaya-Yusupova, Advocates, Legit Advocates' Bureau, Almaty, Republic of Kazakhstan.

The Defendant was represented by Ms. Galiya Turlybekova, General Department Specialist, State Institution "Health Department of Almaty Region", Almaty, Republic of Kazakhstan.