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FINANCIAL AND LEGAL REGULATION OF ELECTRONIC MONEY CIRCULATION

This article provides a comprehensive overview of the history of e-money and the current state of the market. Electronic money is regulated by special legislation in the Republic of Kazakhstan. Article gives proposals and conclusions that contribute to the effective consideration of the problems encountered in practice on various theoretical and practical bases.

Easy and fast payment systems that pay for paid services over the Internet are well thought out. It is obvious that electronic payment systems, which are carried out in a simple way, are more flexible for sellers and consumers, as well as Internet users, because they are more flexible. That's why "electronic money" was invented.

Plastic cards are an identifiable quick tool that goes into a bank account. However, we cannot classify e-money as a type of plastic card, because: plastic cards have a role only as a means of access to a bank account or as a carrier of electronic money. In essence, plastic cards are not money.

Electronic money is a means of payment on a plastic medium used in electronic circuits. This means that money is a means of carrying out payment transactions by transmitting electronic signals without the involvement of paper carriers. The main features of payment systems using electronic money – the equivalent value of money paid in advance by the issuer (issuer – the provider of payment services with the right to issue and reimburse electronic money), stored on card microprocessors, computer hard drives and other devices digitally controlled by its owner. We see that it can be used as a tool without direct participation in banking operations.

Key words: electronic money, payment system, mobile banking, sms-banking, mobile operator payment, electronic wallet, online payment in the Republic of Kazakhstan, electronic money issuer in Kazakhstan, electronic money system.

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Электронды ақша айналымын қаржылық-құқықтық реттеу

Бұл мақалада электронды ақша тарихына және нарықтың қазіргі жағдайына жан-жақты шолу берілген. Электрондық ақша Қазақстан Республикасының арнайы заңнамасымен реттеледі. Мақалада тәжірибеде туындайтын мәселелерді әртүрлі теориялық және тәжірибелік негіздерде тиімді қарастыруға ықпал ететін ұсыныстар мен тұжырымдар келтірілген.

Интернет арқылы ақылы қызметтерді төлейтін қарапайым және жылдам төлем жүйелері жақсы ойластырылған. Қарапайым түрде жүзеге асырылатын электрондық төлем жүйелері сатушылар мен тұтынушылар үшін, сондай-ақ интернетті пайдаланушылар үшін икемді, өйткені олар икемді. Сондықтан «электронды ақша» ойлап табылды.

Пластикалық карталар-бұл банктік шотқа түсетін жылдам анықталатын құрал. Алайда, біз электронды ақшаны пластикалық картаның бір түрі ретінде жіктей алмаймыз, өйткені: пластикалық карталар тек банктік шотқа кіру құралы немесе электронды ақша тасымалдаушысы ретінде рөл атқарады. Негізінен, пластикалық карталар ақша емес.

Электрондық ақша-бұл электрондық схемаларда қолданылатын пластикалық тасымалдаушыдағы төлем құралы. Бұл ақша қағаз тасымалдаушыларды тартпай электрондық сигналдарды беру арқылы төлем операцияларын жүзеге асырудың құралы екенін білдіреді. Электрондық ақшаны пайдаланатын төлем жүйелерінің негізгі ерекшеліктері – карточкалық микропроцессорларда, компьютерлердің қатты дискілерінде және оның иесі цифрлық

бақылайтын басқа да құрылғыларда сақталатын Эмитент (эмитент-электрондық ақшаны шығару және қайтару құқығымен төлем қызметтерін жеткізуші) алдын ала төлеген ақшаның баламалы құны. Біз оны банк операцияларына тікелей қатыспай-ақ құрал ретінде пайдалануға болатынын көреміз.

Түйін сөздер: электронды ақша, төлем жүйесі, мобильді банкинг, sms-банкинг, мобильді операторлық төлем, электронды кошелек, ҚР онлайн төлем, Қазақстандағы электронды ақша эмитенті, электронды ақша жүйесі.

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Финансово-правовое регулирование электронного обращения

В данной статье представлен всесторонний обзор истории электронных денег и современного состояния рынка. Электронные деньги регулируются специальным законодательством Республики Казахстан. В статье приводятся предложения и выводы, способствующие эффективному рассмотрению возникающих на практике проблем на различных теоретических и практических основаниях.

В Интернете есть все необходимые человеку услуги, а иногда можно столкнуться даже с платными услугами. Простые и быстрые платежные системы, которые оплачивают платные услуги через Интернет, хорошо продуманы. Очевидно, что электронные платежные системы, которые осуществляются простым способом, являются более гибкими для продавцов и потребителей, а также пользователей Интернета, потому что они более гибкие. Вот почему были изобретены «электронные деньги».

Пластиковые карты-это идентифицируемый быстрый инструмент, который поступает на банковский счет. Однако мы не можем классифицировать электронные деньги как тип пластиковой карты, потому что: пластиковые карты играют роль только как средство доступа к банковскому счету или как носитель электронных денег. По сути, пластиковые карты-это не деньги.

Электронные деньги-это платежное средство на пластиковом носителе, используемое в электронных схемах. Это означает, что деньги являются средством осуществления платежных операций путем передачи электронных сигналов без привлечения бумажных носителей. Основные особенности платежных систем, использующих электронные деньги, – эквивалентная стоимость денег, уплаченных заранее эмитентом (эмитент – поставщик платежных услуг с правом выпуска и возврата электронных денег), хранящихся на карточных микропроцессорах, жестких дисках компьютеров и других устройствах, цифрово контролируемых его владельцем. Мы видим, что его можно использовать как инструмент без непосредственного участия в банковских операциях.

Ключевые слова: электронные деньги, платежная система, мобильный банкинг, смс-банкинг, оплата мобильного оператора, электронный кошелек, онлайн-платеж в РК, эмитент электронных денег в Казахстане, система электронных денег.

Introduction

We have also considered various theories of economists in many publications on the origin of electronic money. In particular, we consider the emergence of electronic money in 1918 when the Federal Reserve Bank of the United States made the first money transfer by telegraph. However, until recently this method of transfer was not very popular, in 1972 the US Federal Reserve established an automatic settlement chamber to provide the National Bank of the United States and commercial banks with electronic payment check servicing, as a similar system appeared in Europe (Javanova 2012: 142). Since then the process of using electronic money has gained momentum.

Analysis of the electronic money history

The history of electronic money dates back to the middle of the twentieth century. However even then e-money was constantly emerging and evolving in new forms. We have divided the history of electronic money as a means of payment into the following stages:

- *In the first stage*, in the 60s and 80s of the twentieth century, non-cash electronic money was in the form of records stored in computer memory accounts of banks. At this time the introduction of electronic money in the circulation of magnetic and debit cards began, and electronic payment systems began to be widely used. Entries of bank accounts in paper documents were transferred to electronic

media. During this period the term “electronic money” has long been used in developed countries as a substitute for various technological changes in the payment system. These changes have led to a breakdown of the payment management system, a reduction in settlement and credit risks, the emergence of a new financial goods, and a diversification of access to them.

- *The second stage*, characterized by the introduction of smart cards in the 90s and 2000s, was the first in the history of electronic money to distribute digital money and e-wallets. Technically they are presented in the form of electronic pulses on special devices. Unlike electronic money in previous periods, the new type was an analogue of banknotes and was able to serve as an electronic medium of exchange.

In 1993, Dr. David Chaum of the University of California proposed a new technology called eCash to implement the ideology of electronic money.

In 1994, the company DigiCash, founded by David Chaum, later known as the “father of electronic cash”, began issuing the first electronic money in the international payment system ECASH. In 1994, the United States made its first online purchase using ECASH technology.

In 1995, the American bank Mark Twain Bancshares began using the payment system ECASH, while in Europe was developed PhonePaid system, which allows you to make transactions using mobile phones. Thus, in America and Europe, new technological advances in the issuance of electronic money and its use in various operations have become widespread (<http://www.lawbridge.org/english/e-money.htm>).

- *In the third stage*, from 2000 to the present, the development of electronic money has become widespread; many new types have been developed, including a new type of electronic money, “online money”, which makes payments on computer networks in real “online” time. It is also assumed that e-money has a wide range of services: money was not only a measure of value and a means of circulation, but also a means of payment and savings, which means “world money”.

As mentioned above, e-money, which has gone through historical periods, is now developing rapidly, is used as a means of payment in the electronic payment system, and is accompanied by the further development of information technology.

V.M. Usoskin was the first man who used the term “electronic money” in Russia in the 70s of the twentieth century and in his book named ‘Theory of Money’, defined e-money as “records in the

memory of bank computers transmitted over remote communication channels.”

Other groups of authors (Antonov N.G, Pessel M.A, Pashkus Y.V, etc.) associate the concept of “electronic money” with plastic cards. “Electronic money – first appeared in the 70s, when the circulation of cards of some companies was transferred to the electronic basis, – writes Pashkus Y.V” (Goryunov 2004: 9-10).

Normative and legal regulation of electronic money circulation in Kazakhstan

Prerequisites for the legal regulation of electronic money around the world began with the adoption of the European Parliament Directive 0002000/46 / EU, signed on June 8, 2000 in Luxembourg. The provisions of this directive became the basis for the legal regulation of electronic money not only in the European Union, but also in the CIS countries: Belarus, Ukraine, Armenia and Kyrgyzstan.

Analyzing the world experience, let’s consider two main directions of e-money regulation: *the first* is the European model, which has the most active, more stringent requirements for e-money issuers, and *the second* is the American model, where the state pursues a more liberal policy in e-money market regulation.

Now let’s talk about the state of financial and legal regulation of electronic money in domestic legislation. Electronic money not only facilitates the official entry of the largest payment systems on the market in the country, but also allows the creation of local Kazakhstani electronic payment systems. This means that the introduction of electronic money will contribute to the further popularization and development of Internet commerce in the country, the further development of a new types of online and remote services in Kazakhstan for the benefit of all economic entities, as well as increase access to financial services. The adoption of a law regulating e-money in the country will stimulate the creation of domestic e-money systems focused on the domestic needs of the domestic Internet and establish state control over their circulation in the country. The purpose of the law is to create a legal environment for the use of electronic money in Kazakhstan as a new means of payment for trade transactions, including for trading on the Internet.

The National Bank paid special attention to the formation of an effective and adequate legal environment for the current state of development of the electronic money market in our country, closely monitoring the global trends in the regulation of

electronic money circulation and taking into account the positive international experience.

In the new market stage of economic development, the first stream of the revised regulatory framework providing for a new payment instrument for trade transactions in Kazakhstan – the legal framework for the issuance and use of electronic money in the Republic of Kazakhstan on July 21, 2011. The adopted law introduced the concept of “electronic money” for the first time in the country and established the legal status of electronic money. According to the law, the use of electronic money by individuals and legal entities was related to other means of payment – payment cards, checks, promissory notes and payment orders. In this regard, the right to issue electronic money was transferred to the second-tier banks in the Republic of Kazakhstan. This is due to the involvement of individuals and legal entities in the issuance of electronic money, as well as a number of banking operations.

Also the possibility of participation of non-bank private organizations in electronic money systems as operators or issuing agents of the electronic system was considered. This means that private organizations can distribute electronic money issued by issuing banks and use them to service transactions. Issuance of electronic money by the issuer is carried out within the amount of funds received in advance from the owners of electronic money. This norm was introduced to prevent issuers from issuing unsecured electronic money. However as the above law does not cover the rapid development of electronic money in Kazakhstan in market relations, on July 26, 2016 the current Law of the Republic of Kazakhstan “On Payments and Payment Systems” was adopted, Chapter 8, Articles 42-44 are devoted to the legal regulation of electronic money.

This law defines the concept of electronic money as follows: “electronic money is an unconditional and irrevocable monetary obligation of the issuer of electronic money, stored in electronic form and accepted by other participants in the electronic money system as a means of payment” (<http://adilet.zan.kz/>). That is the definition of this concept, which has been given by many economists so far, is summarized by our domestic legislature as “monetary obligations in electronic form.” Therefore, its features are: storage in electronic form used by participants in the electronic money system as a means of payment and considered as unconditional and irrevocable monetary obligations of issuers.

If we consider Chapter 8 of the Law “On Payments and Payment Systems”, the law provides

a clear definition of issuers, owners and operators of electronic money, shows how to issue and sell electronic money and provides the basis for the use and redemption of electronic money. Electronic money of issuers issued in the territory of the Republic of Kazakhstan must be denominated in the national currency of the Republic of Kazakhstan. This will increase the level of circulation of the national currency in the electronic payment system and reduce dependence on other foreign currencies. This means that the original tenge will retain its value in electronic money transactions. It goes without saying that this plays an important role in the development of the country’s economy.

Only the National Bank of the Republic of Kazakhstan, banks and national postal operators have the right to issue electronic money in Kazakhstan. That is in the country, electronic money is carried out only by the three named organizations, other individuals and legal entities cannot participate.

The law also applies to holders of electronic money: individuals and agents, sole proprietors and legal entities, from which the rights of the holder of electronic money arise from the moment of receipt of electronic money. As the owner of electronic money uses electronic money to make electronic payments on civil transactions, to conduct other operations that do not contradict the legislation of the Republic of Kazakhstan.

If the issuer of electronic money carries out the identification of an individual, if the owner of electronic money in the amount exceeding fifty times the MCI established for individuals in the relevant financial year by the law on the republican budget. It follows that the movement of individuals in electronic money is constantly monitored by the bank (<http://adilet.zan.kz/>).

Identification of the holder of electronic money is carried out by remote identification on the basis of personal data in accordance with the information available from the operating center of the interbank money transfer system, or by simplified identification, provided that the person personally participates and presents an identity document.

The issuer of electronic money and operators of electronic money system shall be liable to the owners of electronic money for the damage caused to them in the following cases: if access to or use of electronic money without the permission of its owner in accordance with the terms of the agreement on issue, use and redemption of electronic money; in case of damage caused by errors and failures in the operation of the security or electronic money system. Therefore, under the law, the damage caused

by the bank when using the money of the owner of electronic money is mandatory.

In accordance with the requirements of the Law of the Republic of Kazakhstan “On Combating Money Laundering and Terrorist Financing” the operators of electronic money systems provide the authorized body for financial monitoring with information on transactions subject to financial monitoring. Thus the national legislation stipulates that electronic money circulation is constantly monitored and special monitoring is carried out.

The next legal regulation of electronic money in the country is the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated August 31, 2016 № 202 “On approval of the rules of issuance, use and redemption of electronic money in the Republic of Kazakhstan, as well as requirements for electronic money issuers and electronic money systems”. This resolution is developed according to law of the Republic of Kazakhstan of July 26, 2016 “About payments and payment systems”, defines the procedure for issue, use and redemption of electronic money in the country, and also requirements to issuers of electronic money and electronic money systems in the territory of the Republic of Kazakhstan. The order of operation of electronic money is provided by the issuer or operators (<http://adilet.zan.kz/kaz>). Means and measures to prevent unauthorized access to software and hardware used in the electronic money system, including measures to organize the protection of electronic money, provide a sufficient level of protection of information and its confidentiality. Currently, new types of services using electronic money are being introduced, in particular, payments through the mobile application for taxes, fines for traffic violations and other payments through the portal “E-gov”.

Economic analysis of electronic money circulation

«The global economy is on its way to digital transformation. The processes of the digital economy are actively continuing in all developed countries, affecting all spheres of life. Numerous studies show a significant dependence of the level of economic development on the indicators of access and use of information and communication technologies by enterprises and the public» (Alibekova 2019).

The active development of the information economy has led to the rapid development of various little-studied economic phenomena, including electronic money. The rapid development

of electronic technologies now allows almost all mobile and contactless payments, daily purchases in online stores, the purchase of theater and plane tickets with the help of a mobile application, and other services. Therefore, affecting human activity in any sector of the economy is undoubtedly a topical issue in the economy today.

The current legislation of Kazakhstan is aimed at the development of legal and economic regulation and the introduction of high-tech means of payment with electronic money in accordance with the basic principles of the electronic payments market.

The effectiveness of the use of electronic money in the economic market is, firstly, that this type of money is safe and very effective in online trading and is convenient for small transactions. At the same time, we understand the trend associated with the expansion and popularity of the use of payment instruments in the structure of global e-commerce using e-money. For example, opening an e-wallet takes only a few minutes and requires only an identity document. In addition, the operators of the electronic money system have established contacts with the operators of the terminal system, automatically opened e-wallets for consumers and created conditions for immediate payments.

Demonstration of the economic efficiency of the use of electronic money – domestic and foreign Internet commerce is developing rapidly, and the electronic circulation of the national currency is growing significantly in the country.

In 2020 174.9 million transactions worth 580.2 billion tenge were made through electronic money systems, which is an increase of 29.5% in the number of transactions compared to 2019. These transactions included transfers between individuals and payments for goods and services in favor of legal entities and individual entrepreneurs. According to the National Bank’s statistics 65% of all transactions through Kazakhstan’s electronic money systems are conducted online, 16% through mobile applications and 19% using electronic terminals.

In 2019 issuers of electronic money systems issued 572.8 billion tenge, which is 10% more than in 2018. According to the electronic money system, in 2019, payments were made in the amount of 410.4 billion tenge, which accounted for 70% of the turnover of all existing electronic money systems (<https://kapital.kz/finance/85322/ob-yemy-operatsiy-cherez-sistemy-elektronnykh-deneg-vyrosli.html>).

Electronic money circulation makes a significant contribution to the country’s economy. According to statistics in October 2017, 7.8 million Internet and

mobile banking users and 7.2 million e-wallet users were registered in Kazakhstan. According to the National Bank, the volume of non-cash payments using payment cards increased by 80.7%, compared to 2016 increased by 75% .

A total of 152.1 million transactions were made on non-cash payments using payment cards in the amount of 1965.5 billion tenge. At the same time, the share of non-cash payments in the total volume of transactions using payment cards increased to 47% by the number of payments and 20.4% by the amount of payments.

Four electronic money systems accounted for 90.2% of the total volume of electronic money transactions. These include Kaspi Bank, Qiwi Wallet, Wooppay and Private Cashier (<http://adilet.zan.kz/eng/docs/>).

The largest electronic money systems in the country, which occupy more than 90% of the electronic money market: “Kaspi Bank”, “VISA QIWI WALLET”, “WOOPAY”, “Personal Cashier” and “W1 Kazakhstan”. Currently, there are specialized online e-money exchange points in Kazakhstan: oborot.kz, kaspeed.kz, webtenge.kz, webdengi.kz, wmb.kz and others.

As of July 22, 2020, there are 27 electronic money systems in the country. These include “Wooppay”, “Qiwi Wallet”, “Personal Cashier”, “Paypoint”, “ONE”, “Homepay”, “Halyk”, “AllPay”, “Kaspi Bank”, “MyBonus”, “Homebank Wallet”, “TengriWallet”, “Wallet One”, “Kazpost”, “RPS”, “Indigo 24”, “Peiteh”, “Senim”, “KazEuroMobile”, “Almapay”, “onay pay” “Ope click”, “innopay” “WebMoney Kazakhstan” “Silkpay” “Paybox. money” “ASIAPAY” (<http://adilet.zan.kz/eng/docs/>).

About digital currency

Currently, there is an unresolved issue in the field of electronic money, which requires legal regulation and pending legalization.

As a result of the rapid development of digital technology today, many industries are undergoing digitization. This has not been bypassed in the financial sector. New financial technologies are blockchain and cashless payments. The first is not only cryptocurrencies that many people do not trust, but also a powerful tool to protect any monetary transactions. In addition, digital transformation takes place in the following areas:

- mobile banking;
- online buying and selling;
- remote payment and operation.

Although not regulated by the specific legislation of the Republic of Kazakhstan on digital currency, the Civil Code of the Republic of Kazakhstan on digital assets states that: Article 115, Types of objects of civil law: financial instruments, works, services, results of creative and intellectual activity, trade names, trademarks and other means of product personalization include property rights, digital assets and other property “(http://adilet.zan.kz/eng/docs/K940001000_).

Article 116, paragraph 3-1, states: “The concept and types of digital assets, as well as the specifics of the circulation of digital assets are defined by the legislation of the Republic of Kazakhstan, acts of the International Financial Center “Astana”. And to get the concept of digital assets, we have considered the following legislation. In accordance with the Law of the Republic of Kazakhstan “On Informatization” dated November 24, 2015, the following concepts are explained:

38-2) blockchain – information and communication technology that ensures the invariance of information on the distributed data platform on the basis of a series of interconnected data blocks, given algorithms for authentication and encryption;

55-1) digital asset – property that is not a financial instrument, created in electronic-digital form with the use of cryptography and computer tools, as well as an electronic-digital form of certification of property rights;

55-3) digital mining – the process of conducting computational operations using computer, power capacities in accordance with the given algorithms of data encryption and processing, providing confirmation of the integrity of data blocks in the objects of informatization through the blockchain;

56-1) digital token – a type of digital asset that is a digital tool for accounting, conversion and certification of property rights (<http://adilet.zan.kz/eng/docs/Z1500000418>).

Reading the above explanations, we conclude that digital assets are not financial instruments. And the issue of digital currency, developed on the basis of blockchain algorithms, which has become the center of various debates and heated discussions around the world, raises the issue of digital money in Kazakhstan as a form of advanced technology in the digital form and services.

What changes can occur in the economy of Kazakhstan through the introduction of digital currency? In this context, the National Bank of Kazakhstan is currently studying the digital currency. Digital currency should be issued by

central banks and in the case of Kazakhstan it is the National Bank. In the world practice the digital yuan project in China (digital yuan is used in several provinces of China, but no concrete results have been seen yet), the digital crown project is being developed in Sweden. The effectiveness of the introduction of digital money in our country is manifested in the following cases: for example, if the money allocated from the state treasury in public procurement is digital, it is clear that it is spent for its intended purpose or further distributed. It would be an indispensable tool in the fight against corruption in our country. The country needs technical, infrastructural and logistical training for the introduction of public digital money. This is due to the fact that the algorithm for the introduction of digital currency in the country requires a lot of preparation for further operation.

With the introduction of digital currency in the country you can clearly see where every penny is spent and you can not hide the payment history from the state, while the European Central Banks are in direct contact only with digital currency account holders, and there is a risk of second-tier domestic banks. . That is why we see the reason why this issue is still unresolved and under discussion. The introduction of digital currency for the state would have the following benefits for the economy: from the moment the digital money transaction is performed, the amount and type of taxes paid to individuals and legal entities are automatically visible, no one can evade taxes. For example no waiting for entrepreneurs to pay taxes. In the blockchain, the algorithm appears in the supervisory body. The shadow economy will fall to a very low level or will actually disappear, as the financial regulator will monitor the accounting of digital currency to the last penny. It is known that in the world there are questions about what kind of currency is more profitable to use.

In our country a number of independent experts suggest the introduction of digital currency in the form of dollars and now the National Bank is considering the possibility of introducing digital currency in the national tenge. Obviously, this creates competition between currencies. And what we need to understand is that crypto currency is a digital currency, not electronic money. Crypto currency includes bitcoin, etherium, etc. According to the legislation of Kazakhstan, they are neither money, nor currency, nor financial instruments, nor electronic money – they are a database of information stored on a computer using special algorithms,

without any value or other meaning. Crypto currency has three differences from electronic money: 1) the absence of the issuer, 2) decentralized (ie non-specific and cross-border) and 3) the use and creation of cryptographic algorithms (<https://inbusiness.kz/ru/last/kakoj-budet-cifrovaya-valyuta-kazahstana>).

The price of crypto currencies is only available when they are in use, the supply and demand for them are based on trust in this “product”. Given the high volatility, various schemes will emerge in the markets, including an increase in the number of those who want to profit quickly from the rapid growth of the exchange rate, similar to financial pyramids.

Crypto currencies are banned in Bangladesh and a number of other countries, while in the US they are recognized as an exchange commodity, a means of payment in Japan. In China and South Korea the initial placement of ICO (Initial) tokens / coins is prohibited while Australia has decided to regulate this market. In Kazakhstan crypto currencies and their use as a means of payment contradict the current legislation. As for e-money we are actively developing this industry, there is a special legal field for their relationship. If crypto currencies do not have legally binding persons and real issuers of real assets – money, then the issuers of electronic money are financial institutions (banks and postal operators).

Returning to our topic, the preservation of digital currency in the algorithm of bitcoin is explained by the preservation of the value of money in the global crisis. And it is distinguished by its security.

For the clarity, if digital currency is introduced in Kazakhstan, this digital tenge differs from the usual national currency tenge only in its use of many technical functions: for example, it can be written in smart contracts, create a code algorithm, monitor it, etc. . If technical services are not included it will serve as an ordinary tenge, a means of payment, and will have all the properties of the tenge in circulation. For digital national currencies, including the tenge, this means the ability to monitor the process of spending budget money in real time. Thus, the system cannot be deceived: the system has no choice but to work strictly with public money according to the law.

And for our country we believe that the process of introduction and legalization of the digital tenge will still take at least 4-5 years for research and regulation.

It has been almost two years since the issue of legalization of the digital ruble was regularly heard and discussed in neighboring Russia. But it is being discussed without full legalization.

Conclusion

In conclusion, in the process of emergence and development of electronic money, humanity is rapidly advancing with the time of the great information and technological revolution. For the state of Kazakhstan, the production, use and financial regulation of electronic money are gradually being addressed. The unresolved issue is to fundamentally consider the effectiveness and benefits of digital money for our country and to consider the future state of legalization.

The dynamics of development and growth of electronic money shows that the audience and services of these systems are gradually expanding. The experience of other countries shows that e-money is becoming more popular for making payments in the e-commerce segment. Their use

contributes to the reduction of cash turnover, the development of the market of online services, the acceleration of payments and the improvement of the payment culture of citizens.

We believe that the demand for e-money or new innovative payment services will increase, taking into account global trends. This process is largely due to the further spread of the Internet and the growth of services available to consumers through the Internet, the expansion of various spheres of life.

Electronic money can gradually replace traditional means of payment in places and segments where their use is inefficient. In the future, e-money can be expected to be used not only for remote payments, but also in points of sale based on the use of contactless technologies and mobile payment technologies.

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