



• UNITY
ENERGY •



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DEAR COLLEAGUES!

For more than 10 years of existence, the Association's activity earned recognition from both its members and state institutions, as well as local and international community. Working in close cooperation with legislative bodies, line ministries and major market players, KAZENERGY proposed conceptual solutions to facilitate sustainable development of the energy sector, create new productions and jobs, attract investments, stimulate exploration and production, and others.

Carrying out its active international activity, including membership in leading energy organizations, KAZENERGY promotes a positive image of the oil, gas and energy sectors of Kazakhstan. The Association also made a significant contribution to the business program of the International Exhibition "Astana EXPO-2017".

The KAZENERGY Eurasian Forum has also become an internationally recognized brand, whose guests in different years included heads of states and governments, top managers of the largest energy companies, and experts whose assessments attract global attention.



A lot has been done, but more important challenges still lie ahead. I have no doubt that the Association will conduct its work in a balanced and constructive way, ensuring the synergy of business and government for the sake of sustainable development of the sector.

Over the years of independence, Kazakhstan has become one of the world leaders in the export of energy resources. Taking the leading position in uranium mining and having entered the top 12 countries for coal and oil production, the country acts as the world's new "heavyweight" in this category. At the same time, there is a focus on the development of energy efficiency and sustainable energy infrastructure in the economy, along with the traditional resources. The opportunities for the transition to green economy and the use of advanced technologies in traditional and renewable energy sources are being actively explored.

In view of such intensity of development of the fuel and energy complex, the activity of the KAZENERGY Association as a leading dialogue platform serving for elaboration of strategically important proposals on further development of the largest sector of the economy, as well as for reconciliation of interests among the state, companies and investors, is particularly in demand.

T.Kulibayev
Chairman
KAZENERGY Association

LEADERSHIP TEAM



Timur Kulibayev
Chairman
KAZENERGY Association



Jambulat Sarsenov
Vice Chairman
KAZENERGY Association



Uzakbay Karabalin
Vice Chairman
KAZENERGY Association



Asset Magauov
Director General
KAZENERGY Association

EXECUTIVE COMMITTEE



Rustem Kabzhanov
Executive Director
Oil-Gas and Energy Sector
Development



Zangar Nogaibai
Executive Director
Legal Affairs



Talgat Karashev
Executive Director
International Relations



Lyazzat Akhmurzina
Executive Director
Human Capital Development



ABOUT US

The KAZENERGY Association is a unique largest sectoral association in the Republic of Kazakhstan, which unites enterprises of all sectors of the fuel and energy complex of the country to promote sustainable and balanced development of the power industry and improve the investment climate.

VISION

The KAZENERGY Association is an effective dialogue platform for establishing fair and understandable “game rules” in the oil-gas and energy sectors, as well as ensuring the balance of interests between the state and the Association members.

MISSION

Creation of a favourable environment for the Association members through the protection of their interests and organization of effective interactions and exchange of opinions between all sector participants.





Over a number of years, KAZENERGY has been involved in developing and implementing the most ambitious solutions aimed at modernizing the fuel and energy complex, as well as it has been protecting the interests of the sector at the legislative level.

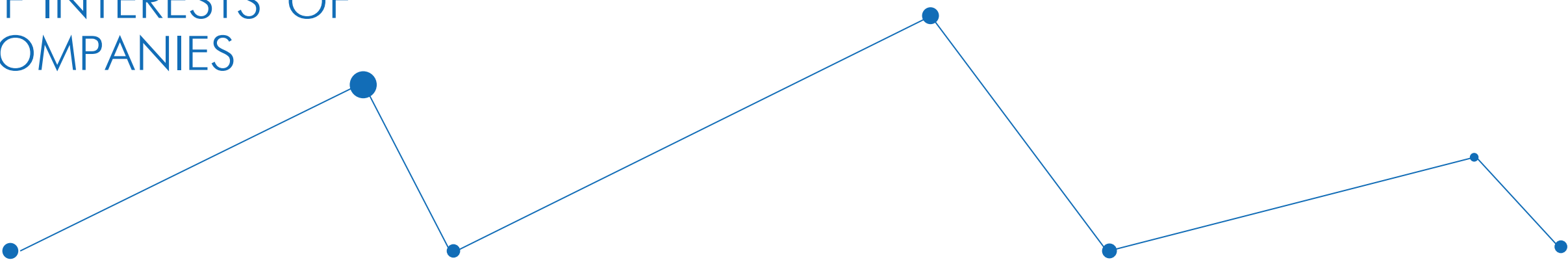
Kanat Bozumbayev,
Minister of Energy,
Republic of Kazakhstan

OVER 90%
of total oil and
condensate
production in the
country

The Association has gained recognition and authority in the global petroleum community, its successful activity fairly commensurate with the achievements of the oil and gas production sector of the national economy and is inseparable from them.

Tim Miller,
Managing Director,
Chevron Eurasia Business Unit

>10 YEARS
OF SUCCESSFUL
REPRESENTATION
OF INTERESTS OF
COMPANIES



BE PROTECTED

Protection of interests of the Association members in all key areas of legislation

Over the years of successful work, the Association has gained the status of a reliable partner for the state bodies and the Association members, providing a platform for a constructive dialogue of all stakeholders and bringing the opinions and issues to the attention of the government

STAY CONNECTED

Interaction with main sector regulators

Development of contacts with the Association members

Participation in main advisory and consultative bodies

Participation in major international events and organizations

GET INFORMED

Access to up-to-date information and analytical data related to current trends of development of the fuel and energy complex development

Participation in major events with competent industry experts, as well as in expert councils, roundtables and workshops

Promoting a positive image and coverage of socially significant activity of companies

Informing of the key events in the sector through monthly newsletters and the KAZENERGY magazine

ACT SUSTAINABLY

Interaction for sharing best practices in the field of sustainable development

Facilitating the reduction of environmental impacts

Supporting human capital development

Promoting corporate social responsibility programs

Interaction on the issues of energy efficiency and energy saving, development of new technologies and balanced involvement of renewable energy sources

KEY ACTIVITY AREAS

PROTECTION AND REPRESENTATION OF LEGAL INTERESTS OF INDUSTRY PLAYERS DURING DEVELOPMENT OF NEW LEGISLATIVE ACTS AND BYLAWS

A stable and competent legal environment is a key factor affecting the business environment in the country. The participation of the KAZENERGY Association's experts in the work to improve legislation is its main priority. The key areas of legislation being in the purview of the Association's experts include tax regulation, subsoil use, environmental protection, social partnership issues, etc.

HUMAN CAPITAL DEVELOPMENT

- facilitating expansion of human knowledge potential through the involvement of youth in the Association's projects
- creating conditions for overcoming gender asymmetry in the sector through the promotion of the professional women's movement
- supporting intellectual potential of the young people studying under the fellowship and grant programs
- accumulating human capital through building the national and industry-based qualifications system.

TECHNICAL REGULATION

Facilitating improvement of product quality and safety, production processes, competitiveness of the economy, reduction of non-production costs

ORGANIZING AND CONDUCTING THE KAZENERGY EURASIAN FORUM

Providing an open and competent dialogue platform for discussion key challenges and prospects of development of the fuel and energy complex of the RK, and promotion the image of the Association members within the framework of the largest industry event in the region.

REPRESENTING THE INTERESTS OF THE ASSOCIATION MEMBERS AT INTERNATIONAL LEVEL AND PROMOTING A POSITIVE IMAGE OF THE SECTOR

Development of cooperation with key international organizations, participation in the work of international advisory bodies and major events

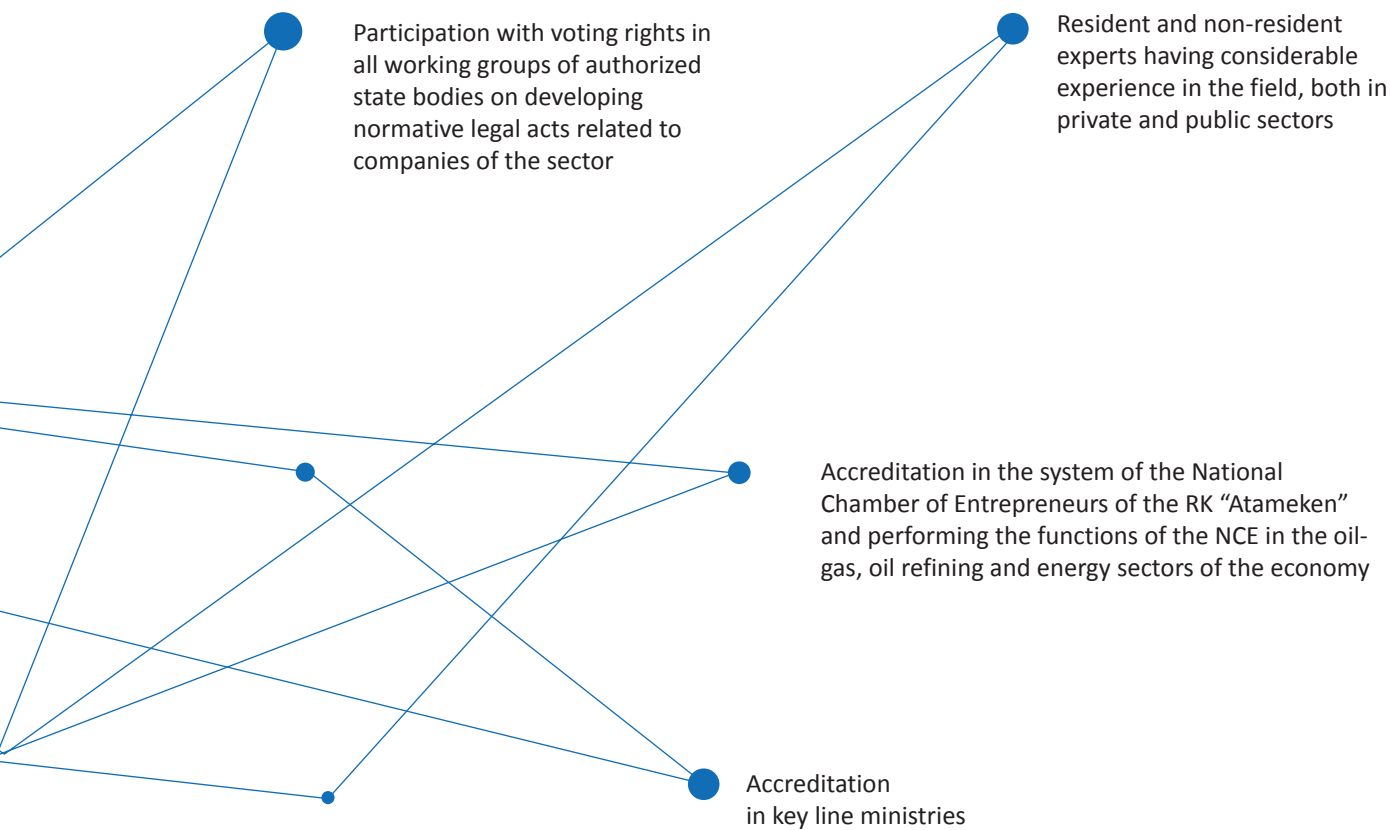
INFORMATION ANALYTICS

Regular publication of the National Energy Report. Sectoral analytical research

FACILITATING DEVELOPMENT OF NEW EQUIPMENT AND TECHNOLOGIES

Facilitating organization and coordination of scientific, technological, innovative and development activity in the Association members' organizations within the framework of the Scientific and Technical Council.

OUR INSTRUMENTS



ADVISORY AND CONSULTATIVE BODIES

- | | | |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| • The Government's Interdepartmental Commission on oil and gas sector development | • Committee of Oil and Gas Industry of the NCE Presidium | • Expert Council on Law |
| • The Government's Interdepartmental Commission on legislative drafting | • Coordination Council for Oil and Gas Sector Development | • Expert Group on major oil and gas projects |
| • The Government's Interdepartmental Commission on low-margin fields | • Coordination Council for Innovations and Local Content Development | • Scientific and Technical Council |
| • Coordination Council for Renewable Energy Sources of the Ministry of Energy | • Coordination Council for Energy Sector Development | • Committee of Participants of the Petroleum Products Market |
| • Commission for holding auctions to issue subsoil use rights | • Coordination Council for Ecology, Social Responsibility and Transparency | • Women's Energy Club |
| • Central Commission for Exploration and Development of Mineral Resources of the Ministry of Energy | • Coordination Council for Human Capital Development | • Working Group on EITI Development in the Republic of Kazakhstan |
| • Public Council of the Ministry of Energy | • Coordination Council for Financial and Enconomic Issues | • KAZENERGY Youth Committee |
| • Committee of Energy of the NCE Presidium | | • Working Group on Regulation of Greenhouse Gases and Ozone Depleting Substances |



100%

of total share of
electric power
transmission in
the country

Over the past years, the KAZENERGY Association has become an important partner of state and public structures in the field of discussion, monitoring and preparation of proposals on the development of the sector. Today, the Association is a mandatory participant in the development and implementation of state, governmental and sectoral programs.

Bakytzhan Kazhiyev,
Chairman of the Board,
KEGOC JSC

KEY SUCCESSES

- Abolishment of the commercial discovery bonus
- Allocation of exploration expenses to deductions at the production stage (with successful and unsuccessful exploration)
- Introduction of the right of use of the alternative subsoil tax for offshore and ultradeep fields instead of historical costs recovery charge, export rental tax, mineral tax, and sales tax
- Binding the rates of export customs duty for crude oil to oil prices (which were previously fixed)
- Implementation of transition to combined exploration and production
- Enabling the possibility of synergy (joint project development)
- Simplified access to contracts
- Reduction and simplification of harmonization of project documents
- Reduction of prices for electricity produced by RES facilities through the introduction of the auction mechanism
- Inclusion of technological failures/deviations in equipment and processes in the list of cases of technologically unavoidable gas flaring
- Reducing the base of responsibility for exceeding emissions in cases of gas flaring
- Introducing the concept of “temporary waste storage”
- Exclusion of the production monitoring at the KSCS in winter in ice-covered areas
- Enforcement of the right of companies to allocate quotas for greenhouse gas emissions between their facilities
- Enforcement of the right for operators to choose a method for allocating quotas for greenhouse gas emissions (historical method or benchmarking)

- Abolishment of the requirements for implementing the petroleum products metering system at oil terminals and rescheduling deliveries for petrol filling stations
- Reduction of ECD rates for bitumen (to 15 EUR/ton), fuel oil (to 30 USD/ ton)
- A 7-38% increase in domestic oil prices at oil refineries
- Updated list of regulatory documents valid in the territory of the Republic of Kazakhstan
- Development and approval of 37 national standards and 26 preliminary national standards
- Addressing the issue of applying the national standards in GWS to protect the interests of domestic producers
- Simplification of procedures for the adoption of national and international standards
- Abolition of the requirements establishing the necessity to conduct annual verification of measuring instruments at production facilities
- Abolition of the norms that require the oil compliance evaluation in accredited laboratories of the EEU countries
- Obtaining a satisfactory settlement on the abolition of norms prohibiting the operation of wells with intercolumn pressure
- Approval of the “Sectoral Qualifications Framework” for the oil-gas, oil refining and petrochemical sectors
- Introducing amendments to the Sectoral Agreement on payment of wages in terms of the minimum wage rate in the sector

KEY SECTORS:

Oil Production

Oil Refining

Transportation

Gas Production

Electric Power

Service Companies

Nuclear Industry



THE ASSOCIATION MEMBER

Oil and condensate production

Gas production (natural and LPG)

Oil transportation

Gas transportation

of the total installed capacity of power plants of the UPS RK

Electric power generation

Electric power transmission through the national power grid

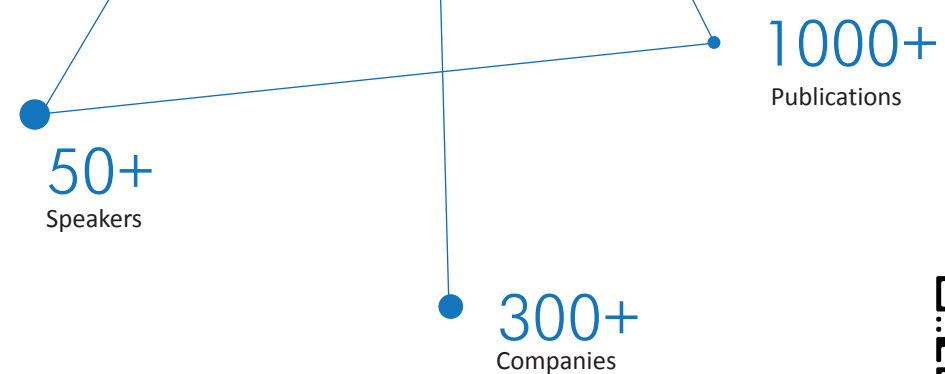
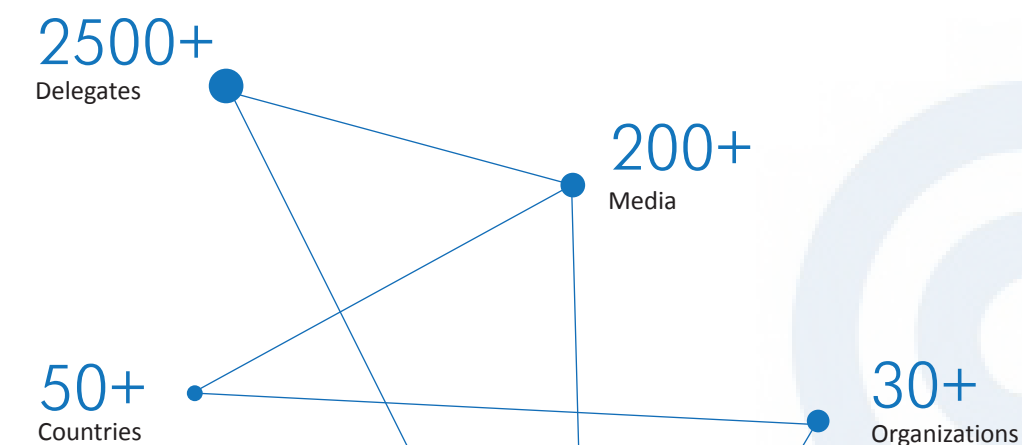
Oil refining

Coal production



For over ten years of its existence, the KAZENERGY Eurasian Forum has become the major international event of the energy sector in the region.

The Eurasian Forum intend to ensure an effective dialogue between energy market players and to consider current trends of development of the energy system. The prospects and strategic initiatives put forward within the framework of this event create favorable prerequisites for the dynamic and sustainable development of the oil, gas and energy complex of the country.





OVER 95%
of the total share of
oil refining capacity
in the country

We highly value the activity of the KAZENERGY Association on ensuring a constructive dialogue between business and government for the purpose of sustainable development of the oil, gas and energy sectors.

Renato Maroli
General Director
Karachaganak Petroleum Operating B.V.

The Association's contribution to ensuring information exchange between participants of the energy community, as well as to establishing a dialogue between business and government, and promoting the interests of energy companies at the national and international levels, can hardly be overestimated.

Sauat Mynbayev,
Chairman of the Board,
NC "KazMunayGaz" JSC

THE NATIONAL ENERGY REPORT

The National Energy Report is a strategic view of the KAZENERGY Association on the prospects of development of the fuel and energy complex of the Republic of Kazakhstan. This analytical product includes the analysis of all energy sectors, development forecasts by sectors, as well as recommendations for improvement of legislation.



Moreover, the Report contains studies of geopolitical and economic changes that affected the economy and power industry of Kazakhstan. It also gives the estimation of Kazakhstan's potential for the use of renewable energy sources, implementation of "green initiatives", and reduction of energy and resource intensity of the economy.





КАЗЕНЕРГИ-ГЕ БҮГІН ҚОСЫЛЫҢЫЗ!
ПРИСОЕДИНИСЬ К KAZENERGY СЕГОДНЯ!
JOIN KAZENERGY TODAY!

MEMBERSHIP TERMS

The Association shall be composed of legal entities, unions, associations, nongovernmental organizations, foundations, and other nonprofit and commercial organizations, whose activities are consistent with the purpose and scope of the Association's activity.

The admission to membership in the Association is effected by a decision of the General Assembly of the Association members on the basis of a written application of a legal entity, addressed to the Chairman of the Association, and payment of an entry fee.

LIST OF DOCUMENTS REQUIRED FOR MEMBERSHIP:

- 1) A written application of a legal entity, addressed to the Chairman of the Association (in free form);
- 2) A copy of the Charter of a legal entity;
- 3) A brief description of activities of the legal entity that intends to join the Association (preferably in Russian and English).

For additional information on entry and annual membership fees,
please contact: **+7 7172 79 01 82**
kense@kazenergy.com



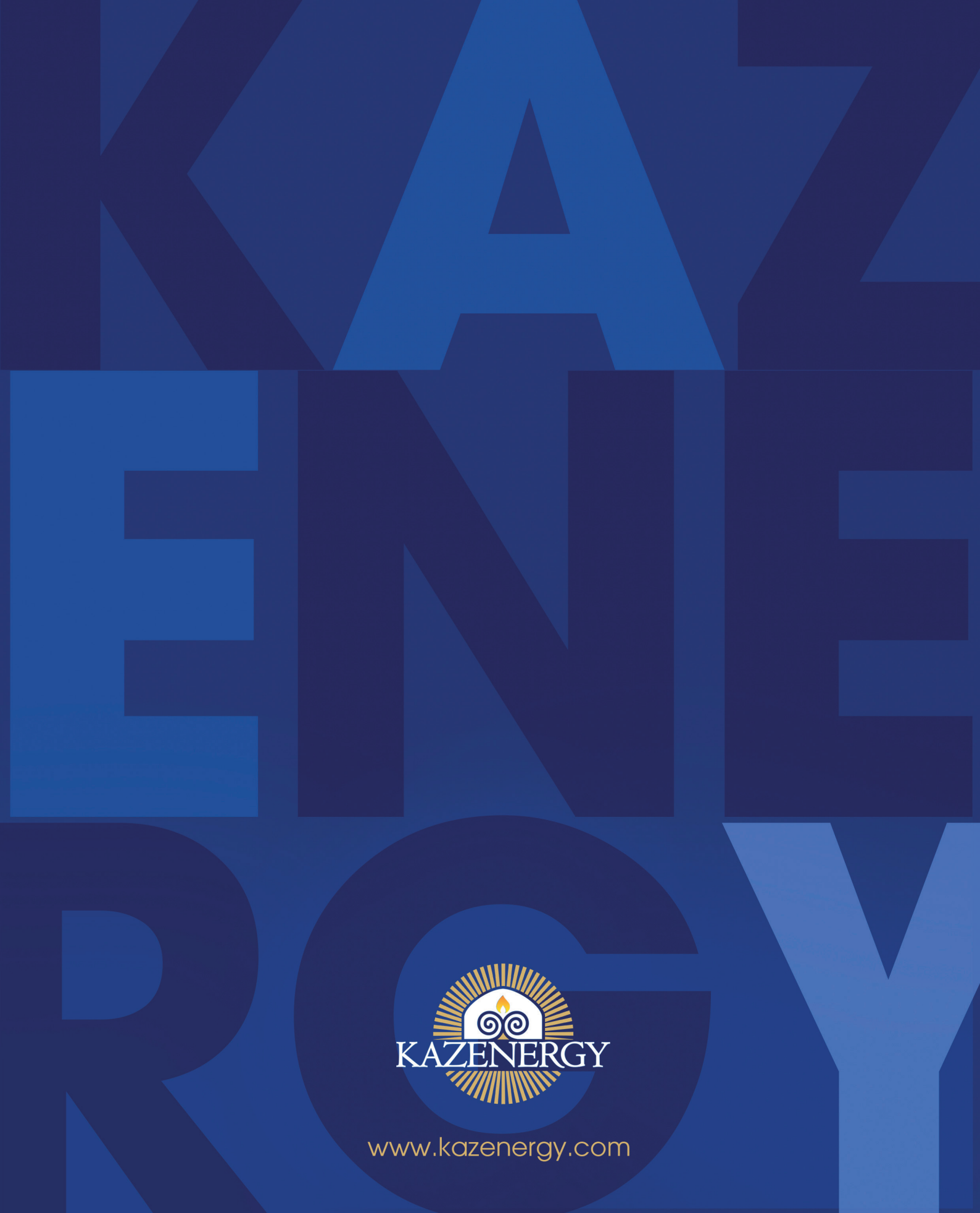


OVER 35%
of total power generation
in the country

By combining the efforts of professionals, KAZENERGY gives an opportunity to assess energy challenges, adopt best practices and jointly elaborate measures for effective development of the fuel and energy complex of the Republic of Kazakhstan.

Almasadam Satkaliyev,
Chairman of the Board,
Samruk-Energy JSC





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