

III Astana Economic Forum – the way to sustainable development

On 1-2 July, the 3rd Astana Economic Forum took place in Kazakhstan capital. The Forum has been organized by "Eurasian Economic Club of Scientists" Association, Ministry of Economic Development and Trade of the RoK and JSC "Institute of Economic Research". The agenda of the two-day forum was focused on sustainable economic growth in the post-crisis period.

The Economic Forum brought together over 3000 representatives from political and business groups from more than 70 countries of the world, including leading scientists, representatives of the public and mass media who discussed the key issues of the global economy

development.

The two-day event program was focused on the key topics of innovation, business, industry, international trade, export and import, customs union, energy, ecology, international financial and currency systems, Islamic financing and youth development. An exhibition of scientific works and innovative projects, contests for the best research works and two events with participation of the international organizations concerning the roles of information and communication technologies and development of "green" economy took place within the frame of the Forum.

The Forum was opened by the President of Kazakhstan

Nursultan Nazarbayev. Welcoming all the attendees, President of Nazarbayev made his appraisal of the current development of Kazakhstan economy.

The UN Secretary-General Mr. Ban Ki-moon has also greeted the Forum participants and delivered a welcoming Speech to thank the Government of Kazakhstan for its tremendous initiative.

17 meetings and panel sessions have been held during the forum, which resulted in the signing of memorandums and agreements for cooperation. During the forum an agreement has been reached with the European Investment Bank aimed at financing investment projects in Kazakhstan amounting



to 1,5 billion Euros.

Along with the representatives of leading international and national business groups, the

forum was also attended by KPO General Director Giuseppe Pasi and Government Relations Director Nurzhan Kamalov.

KPO launched Gas Turbine Power Station

On 28 June the nation-wide video conference "Strong Kazakhstan to be built together" with the participation of the President of Kazakhstan Nursultan Nazarbayev was broadcasted by the national TV. The Akims of all Kazakhstan regions have informed the president on commissioning various projects implemented under the five-year programme approved by the Kazakhstan government.

During the video conference, the Akim of West Kazakhstan Oblast Baktykozha Izmuhambetov also presented the KPO newly built 54 MW Gas Turbine Power Station (GTPS) located nearby Uralsk.

As part of the project, KPO will construct a

110/10kV substation and 110/10kV overhead line as well as implement re-construction of two existing 110/35/10kV substations. An Uralsk-based company ELMO was contracted by KPO to implement the power networks project.

In addition, in the nearest future KPO will lay down heating networks from GTPS. This new project will also include the reconstruction of several lines of existing heating networks in the city of Uralsk.

The construction of power and heating networks will be implemented as part of the KPO social infrastructure improvement programme. The KPO total investment into these projects will exceed \$23 million.

KPO presents an innovative project in WKO

On 28 June 2010, Karachaganak Petroleum Operating B.V. (KPO) presented an innovative project being implemented by the company in the Western Kazakhstan Oblast.

Speaking at the official ceremony held in Zhampity village, KPO General Director, Giuseppe Pasi, said: "I am pleased to announce that the Karachaganak-Uralsk gas pipeline that will ensure stable supply of environmentally clean fuel to more than one hundred thousand residents of five WKO districts is currently nearing completion.

"This achievement is significant both from economic and social perspectives. This is not only a result of mutually beneficial co-operation between the Republic of Kazakhstan and the Karachaganak Partners, but it is also a powerful incentive for the continued development of the region. The Karachaganak-



Uralsk gas pipeline is an important social project, which will support the development of Kazakhstan's domestic gas market, as well as encourage further industrial growth by delivering much needed energy to communities within the Western Kazakhstan Oblast", added Giuseppe Pasi.

Construction of the pipeline had

been agreed by the Karachaganak partners, the Republic of Kazakhstan and the Western Kazakhstan Oblast Authorities. A Memorandum of Intent was subsequently signed in the presence of the President of the Republic of Kazakhstan Nursultan Nazarbayev.

The first section of the gas pipeline, completed in December 2009, goes from Uralsk to Novopavlovka and supplies gas to the Federovka district. The main pipeline includes branch lines to Aksai, Burlin, and Tungush. In October 2009, KPO started construction on an additional branch, a 116 km 10-inch gas pipeline which will supply gas to Zhympty district. This branch was added to the original scope of the project. The total KPO investment in the project is around \$300 million. The Kazakh company KazStroyService (KSS) was contracted by KPO to build the pipeline. A torch, symbolizing the flow of natural gas to residential houses and social sites of Zhampity village lit the Minister of oil and gas Sauat Mynbayev and KPO General Director Giuseppe Pasi.

At the official ceremony in Zhampity village

Kazakhstan Petroleum Association holds general meeting

On 25 June the Kazakhstan Petroleum Association (KPA) held the general meeting in Almaty with the participation of representatives of Kazakhstan and foreign companies – members of KPA. The meeting was held at the Hyatt Regency Hotel.

The general meeting was chaired by Nurzhan Kamalov, the Chairman of KPA Board of Directors. Participants of the meeting have discussed a number of important issues and mainly concentrated on the issue regarding the Effective supply of the economy of Kazakhstan with qualified labour resources.

The main goals of KPA are to facilitate exploration and production activity, share information between member companies and the Government with the view to advancing investment and enhancing the operating climate for the industry in Kazakhstan and to monitor legislative developments affecting oil and gas industry.

The Kazakhstan Petroleum Association (KPA) connects 61 Kazakhstani and international companies from 20 countries working on the exploration and production of hydrocarbon crude, and also oil and gas sector services. At KPA sessions, members of the RoK government, representatives from diplomatic bodies, and the business elite are invited for presentations and information sharing, which can be interesting for subsoil users

Ready to help Proud to serve

In July of this year, six brand-new the most advanced ambulance vehicles were delivered to KPO Health department to provide emergency care for all KPO personnel and its contractors working in the Karachaganak field and Aksai. All six Mercedes ambulances are equipped with the advanced technology consisting of the most important devices for Advanced Cardiac Life Support (bandages, splints, oxygen cylinder, ventilatory bag, suctioning device, medications for oral use and inhalation etc).



Giuseppe Pasi and Dr. Matteo La Sala

All the ambulances are in constant contact with the dispatch centres by a radio communication system. Highly skilled medical staff and highly professional drivers who passed an extensive training to operate ambulance vehicles will provide emergency medical care at the production sites of Karachaganak field and Aksai at any time.

On 10 July, in recognition of this significant event, KPO Health department initiated a demonstration of ambulances which was held at the Czech Camp and was attended by KPO General Director Giuseppe Pasi and other top managers of KPO.

Speaking about the purchased ambulance vehicles, KPO Health Manager Dr. Matteo La Sala expressed his appreciation to those who contributed to this project. In particular Matteo stated: "I would like to thank everyone who supported us in purchasing these ambulances. I believe that the delivery of brand-new advanced ambulances will significantly improve the quality of medical care for all KPO personnel and its contractors. I am proud that this is one more important step for our section in development of our service we provide to KPO staff".



KPO hosts high level visit

On 20-22 July 2010, KPO hosted a high level visit of the UK and US Ambassadors to Kazakhstan David Morgan and Richard E Hoagland who were accompanied by General Director PSA LLC Bolat Akchulakov,

BG Senior Vice President Mark Rollins and Managing Director of Agip Karachaganak BV Agostino Maccagni.

During their three-day working visit, the visiting group met with the Akim (Governor) of the West

Kazakhstan Oblast Bakhtykozha Izmukhambetov and other senior officials of WKO.

When visiting the Karachaganak the delegation met with KPO General Director Giuseppe Pasi and senior management of KPO. During the meeting which was held at KPC Administration building the guests were provided a detailed overview, including the company's recent performance, field development activities, Environment protection, the company's contribution to the social and economic development of the region. The delegation was also briefed on KPO's successful implementation of its Nationalisation programme and what KPO does to maximise the level of local content set out in the Local Content Development Programme aimed to support the development of Kazakh companies involved with the Karachaganak Project.

After the meeting with



From left to right US Ambassador Richard E Hoagland, UK Ambassador David Morgan, BG Senior Vice President Mark Rollins



Delegation visits Aksai school

KPO management, the guests toured the production facilities of the Karachaganak oil and gas condensate field including Karachaganak Processing Complex (KPC), Train 4 and Unit 2. When visiting the Karachaganak Processing Complex (KPC) the delegation was also briefed on the operation of the facility and the human resources required to manage such a huge facility. The following day the delegation toured the Aksai Museum and other places of interests in the town including a newly built school in Micro Region 10 funded by KPO as one of its social projects in WKO.

Improving the quality of lives of local communities

On 3 July the opening ceremony of the South Bypass Road took place in Aksai.

As part of its Road Safety Campaign KPO made every effort to improve the South Bypass Road outside the Czech Camp and adjacent to a village known as Shanghai. For many years Aksai and village residents have run the risk of being hurt on this road as there were no lights and no pavements.

KPO widened the road, provided lights, pavements, bus stops etc. The project has made it much safer for the village residents to visit Aksai and it has particularly helped the children on their way to schools located in various parts of Aksai.

Carlo Fossa, KPO Project Execution Director, had the pleasure of participating in the event together with the Aksai and the village residents. Among other guests attending the ceremony to mark the event was the Akim of Burlin district Bolat Shakimov, accompanied by officials from his office and senior representatives of the contracting organisations.

"On behalf of Aksai residents I would like to express my gratitude to KPO for our fruitful co-operation and hope for a further strengthening of our mutually beneficial



Carlo Fossa and Bolat Shakimov at the opening ceremony

relationship," said the Akim in his opening address. "I believe that this important social project will significantly improve the quality of peoples' lives and I also believe that the residents of Burlin district will greatly appreciate this project," added Mr

Shakimov.

For his turn, Carlo Fossa also noted that KPO's major initiative was to provide support to the neighbouring communities and to assist the social development of the West Kazakhstan region.

In his welcoming speech, Carlo Fossa said: "The successful completion of this important social project demonstrates KPO's commitment towards social infrastructure development in Western Kazakhstan, and we are pleased that the residents of Aksai will now enjoy the benefits of this new road and the pedestrian walkway, a major safety improvement for all of us."

"Karachaganak Venture is well known in Kazakhstan for its outstanding social commitment and contributions to the regional and national economies. The development of Karachaganak has brought sweeping change in the living standards in Western Kazakhstan and we are happy to reaffirm our venture as a socially responsible citizen."

"We would like to thank everyone who helped implement the reconstruction of the Aksai South Bypass Road, including Aksai authorities, contractors and many others who did their best to successfully complete this important project on time and with a high quality."

"We are delighted to be able to provide this project to the residents of Aksai and I am happy to congratulate you all and wish you all the best."

FIC holds Plenary Session in Almaty

THE FOREIGN INVESTORS' COUNCIL
CHAIRIED BY THE PRESIDENT
OF THE REPUBLIC OF KAZAKHSTAN



СОВЕТ ИНОСТРАННЫХ
ИНВЕСТОРОВ ПРИ ПРЕЗИДЕНТЕ
РЕСПУБЛИКИ КАЗАХСТАН

On 4 June, the 23rd Plenary Session of the Foreign Investors' Council (FIC) chaired by the President of the Republic of Kazakhstan took place in Almaty. The session was attended by Kazakhstan high levels officials and the FIC foreign members.

In accordance with the agenda Asset Issekeshov, Deputy Prime Minister of RoK and the Minister of Industry and Trade, made a report on the status of implementation of the Minutes of the 22nd FIC Plenary Session.

For the first time the FIC Plenary Session was attended by KPO Government Relations Director Nurzhan Kamalov, who was invited in the capacity of the Chairman of KPA Board of Directors.

The Foreign Investors' Council (FIC) is an advisory body established by the Order of the Head of State (on 30 June, 1998) to promote direct dialogue between the Government of Kazakhstan and foreign investors in order to efficiently address key issues related to their investment activities in the country, to improve the investment climate of Kazakhstan for the benefit of foreign investors, local and national companies, the economic development and wealth of the country and its people.

The FIC is chaired by the President of the Republic of Kazakhstan, who supervises its activities, including approval of the Agenda and chairmanship at the Council's plenary sessions.

The winners of the Environmental contest announced

On 5 June KPO announced the results of the environmental contest "The Best Environmental Proposal of the Year" dedicated to the World Environment Day. The contest was initiated by KPO Corporate Environment Department.

This year the jury of the contest received a total of 38 entries from various company departments. Proposals submitted by employees covered such areas like improvement of waste management system, biodiversity conservation, rationalisation of water resources consumption and other.

During the award ceremony, KPO General Director Giuseppe Pasi thanked all the participants of the contest for their contribution to the company's environmental performance and congratulated the contest winners. All the winners were awarded with the valuable gifts.



Giuseppe Pasi congratulates Gordon Dinnie

The winners of the Environmental Contest 2010 were:
Yersain Aliyev, KCC Utilities Supervisor, Production and Maintenance (KPC).
Mazhit Amangaliyev, Production Duty Supervisor, Production and Maintenance (Unit 2).
Gordon Dinnie, Gathering Superintendent, Production and Maintenance, Gathering System.
Mikhail Shimarov, Data Transmission Engineer, Production and Maintenance (KPC).