



INVESTMENT POTENTIAL

**WEST-KAZAKHSTAN
REGION**

INFORMATION ABOUT THE WEST KAZAKHSTAN REGION

AREA OF RK

2,72

mln. km²

AREA OF WKR

151,3

thsd. km²

 **RUSSIA**

 GMT+5

 GMT+6

 **URALSK**
Administrative center



 **ASTANA**
capital of Kazakhstan

 **KAZAKHSTAN**

GDP RK

per capita

8528\$

GDP WKR

per capita

9669\$

3 years

2017 2018 2019 2020 2021

POPULATION RK

18,9

mln. ppl

WKR

656

thsd. ppl

 **TURKEY**

 **CHINA**



INFORMATION ABOUT THE WEST KAZAKHSTAN REGION

\$900 mln

Investments
in fixed assets for 2021

\$6,1 bln

Foreign trade turnover
for 2021

KEY EXPORTED PRODUCTS



Mineral products

\$5 bln



Animal and vegetable
products, ready-made
food products: meat, flour

\$65 mln



Machinery, equipment,
vehicles, devices and
apparatuses: transformers,
crankshafts

\$34 mln



Metals and products made
of them, ferrous metal
structures, pumps,
machine tools

\$30 mln



Products of chemical and
related industries

\$30 mln

KEY IMPORTED PRODUCTS



Animal and vegetable
products, ready-made food
products

\$234 mln



Machinery, equipment,
vehicles, devices and
apparatuses

\$199 mln



Metals and products
made of them, rolled
metal

\$175 mln



Products of chemical and
related industries, plumbing
pipes

\$122 mln



Building materials,
cement

\$18 mln

TAXES AND TARIFFS

TENGE EXCHANGE RATE

as of September 8, 2022

USD 1		473,0 KZT
EUR 1		469,0 KZT
CNY 1		67,8 KZT
RUB 1		7,7 KZT
TRY 1		25,9 KZT

TAX RATES

as of September 8, 2022

CORPORATE INCOME TAX	VALUE ADDED TAX	INDIVIDUAL INCOME TAX	PROPERTY TAX
20%	12%	10%	1.5%

TARIFFS FOR LEGAL ENTITIES

as of September 8, 2022



GAS

0,04\$ m³



ELECTRICITY

0,05\$ kW/hour



WATER

0,56\$ m³



GARBAGE

5,29\$ m³

POTENTIAL MARKETS

The West Kazakhstan Region has prerequisites to become an international industrial transport and logistics hub of the EAEU

MOSCOW

CHEBOKSARY
1,2 mln

KAZAN
3,9 mln

NABEREZHNYE
CHELNY

ULYANOVSK
1,2 mln

UFA
4 mln

PENZA
1,3 mln

SAMARA
3,1 mln

MAGNITOGORSK
3,4 mln

SARATOV
2,4 mln

URALSK
0,66 mln

ORENBURG
1,9 mln

AKTOBE
0,9 mln

VOLGOGRAD
2,5 mln

9 HOURS ON THE WAY

ATYRAU
0,69 mln

500 km
11 mln. ppl.

ASTRAKHAN
0,99 mln

12 HOURS ON THE WAY

700 km
28 mln. ppl.

**TARGET MARKETS:
CENTRAL, VOLGA, URAL
FEDERAL DISTRICTS OF
THE RUSSIAN
FEDERATION, EASTERN
EUROPEAN COUNTRIES,
IRAN**

50

cities
12 hours away

5

border regions
of the RF

2

border regions
of the RK

POTENTIAL MARKETS - INDUSTRIAL REGIONS OF THE RK AND RF

The West Kazakhstan Region has prerequisites to become an international industrial transport and logistics hub of the EAEU



50

cities
12 hours away

5

border regions
of the RF

2

border regions
of the RK



TRANSIT POTENTIAL AUTOMOBILE

COMMODITY FLOW

263 thsd

Transit of trucks per year

54,4 mln tons

Cargo transportation for 2021

M-32 Shymkent - The border of the RF (to Samara)

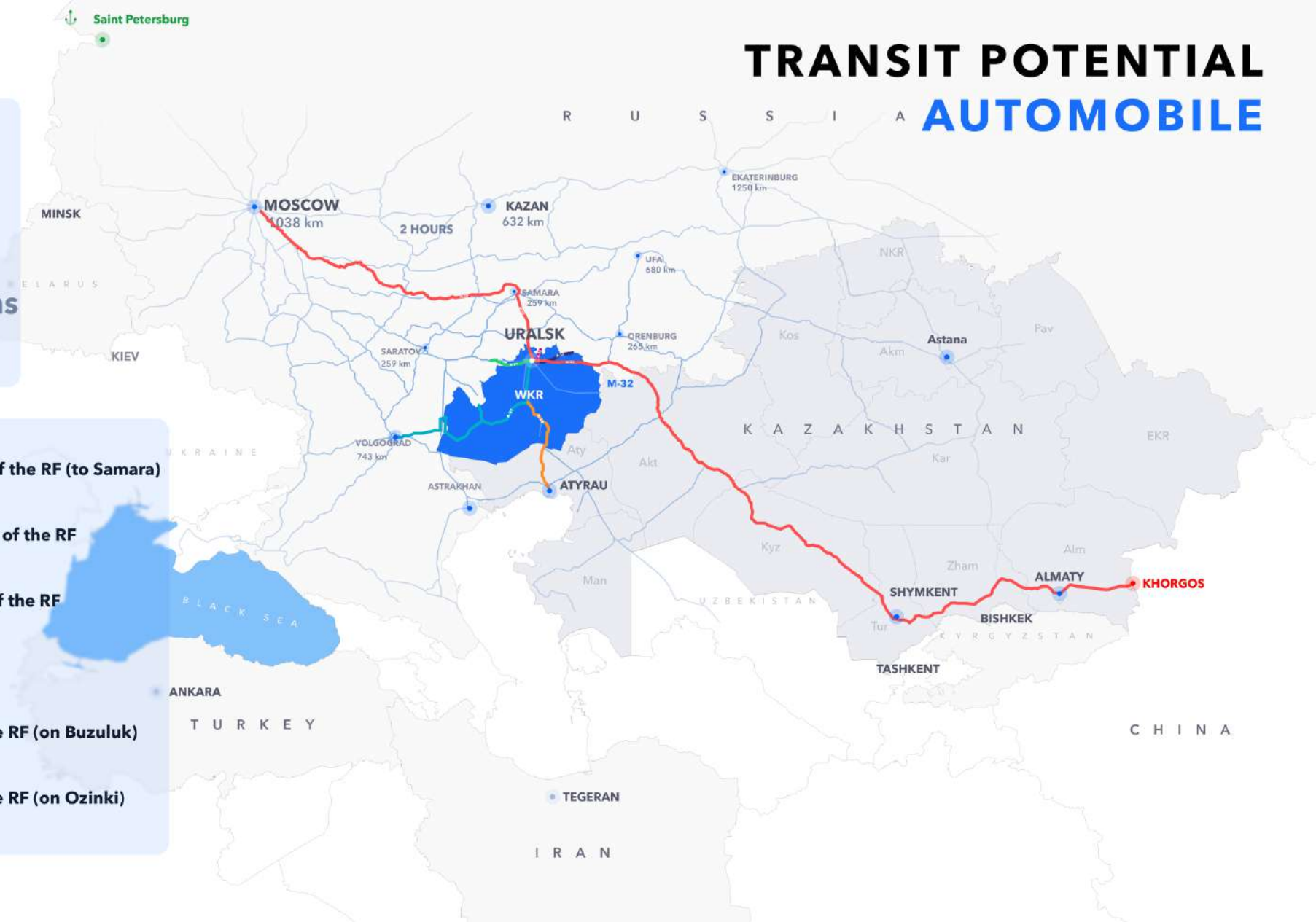
A-30 Podstepnoe - The border of the RF

A-31 Chapaevo - The border of the RF

A-28 Atyrau - Uralsk

A-32 Uralsk - The border of the RF (on Buzuluk)

A-29 Uralsk - The border of the RF (on Ozinki)



TRANSIT POTENTIAL AVIA

TRANSPORT ACCESSIBILITY

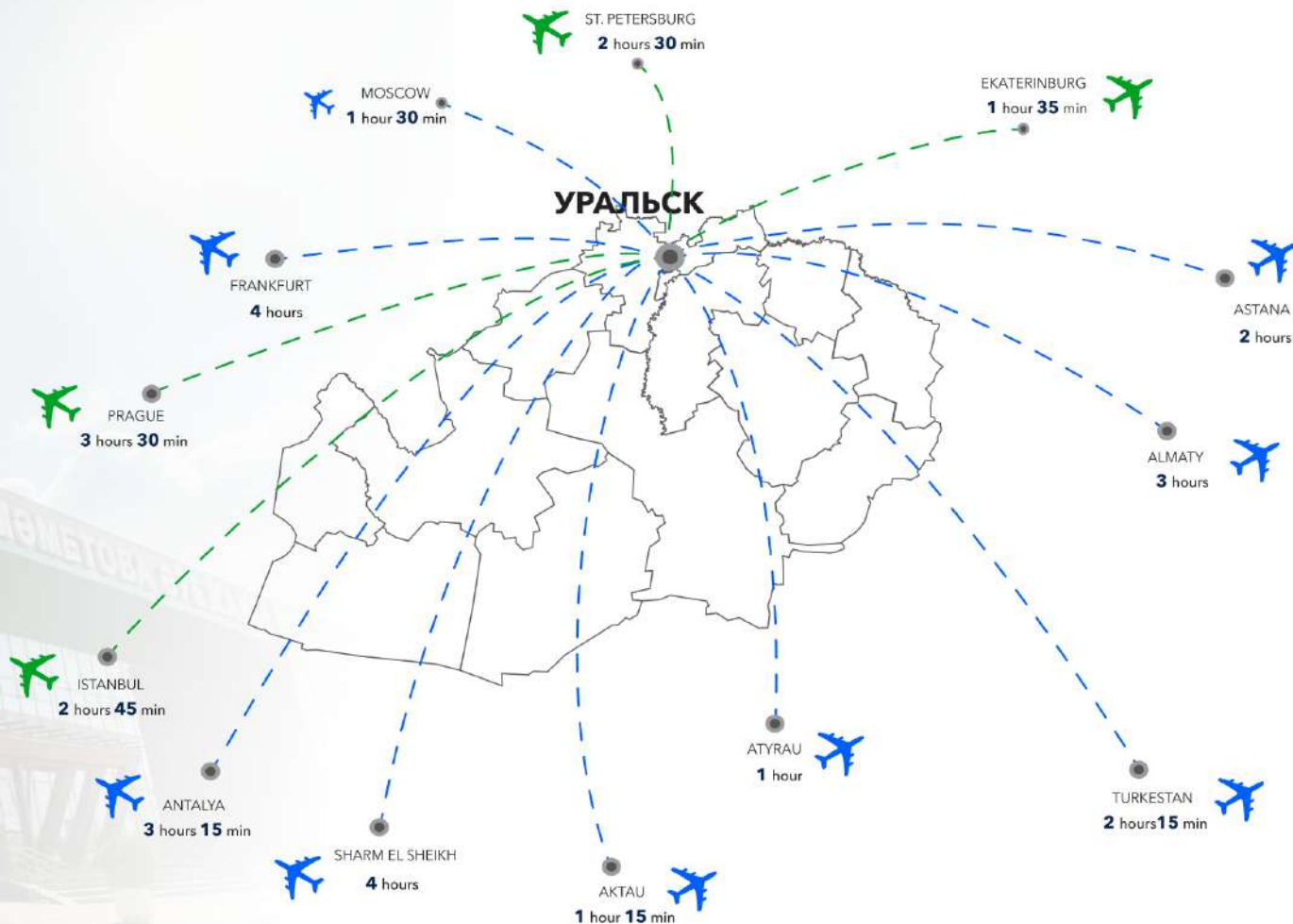
MANSHUK MAMETOVA
INTERNATIONAL AIRPORT

9
Operating
directions

PASSENGER TRAFFIC
1,5 ppl/year
by 2026
mln

4
Planned
directions

400 ppl/hour
Terminal
power

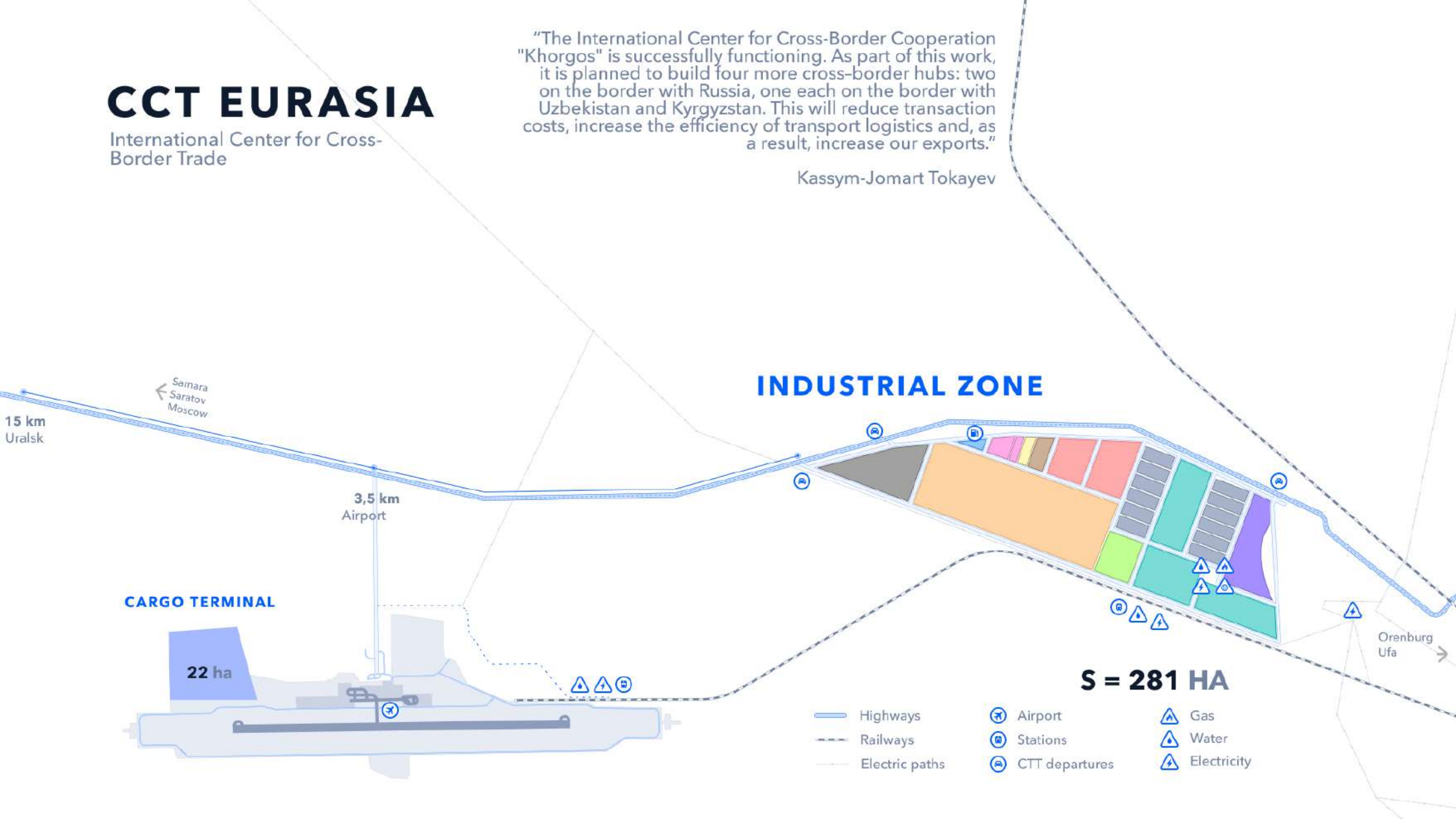


CCT EURASIA

International Center for Cross-Border Trade

"The International Center for Cross-Border Cooperation "Khorgos" is successfully functioning. As part of this work, it is planned to build four more cross-border hubs: two on the border with Russia, one each on the border with Uzbekistan and Kyrgyzstan. This will reduce transaction costs, increase the efficiency of transport logistics and, as a result, increase our exports."

Kassym-Jomart Tokayev



MAJOR ECONOMIC SECTORS OF THE REGION

- OIL AND GAS INDUSTRY
- MACHINERY CONSTRUCTION
- AGRO-INDUSTRIAL COMPLEX



OIL AND GAS INDUSTRY

11,5 mln tons
oil and condensate for 2021

more than **4.2** bln barrels
oil and condensate reserves

19,0 bln m³
gas produced in 2021

more than **1,6** trillion m³
gas reserves

Composition of Karachaganak natural gas

Methane - 79.33%
Ethane - 5.8%
Propane - 2.71%
Isobutane - 0.36%
Normal Butane - 0.62%

Pentanes + higher - 0.45%
Nitrogen - 0.46%
Hydrogen-sulfide - 4.38%
Carbon dioxide - 5.89%



The Karachaganak oil and gas condensate field in Western Kazakhstan is one of the largest in the world
Shareholder structure:



Number of employees: 4,000 people.
Total investment: \$29.5 billion.
A memorandum was signed between Karachaganak Petroleum Operating B. V. and JSC Condensate for the supply of natural gas in the amount of 2.5-3 billion cubic meters/year for investment projects.



The average daily production volume for the 1st quarter of 2022 was 14,683 boe per day:
Crude oil/condensate: 6,043 barrels per day (41%)
Liquefied gas: 1,780 boe per day (12%)
Dry gas: 6,860 boe per day (47%)



Projected condensate production for 2023-2027: 1 666.9 thousand tons, free gas 2 022.4 million cubic meters;
Planned commissioning: October 1, 2023

PERSPECTIVE PROJECTS OF THE OIL AND GAS INDUSTRY

Construction of an ammonia-carbamide complex

Within the framework of the project, the production of granular urea, which is in great demand in the agro-industrial complex, will be organized.

Type of activity: processing of hydrocarbon raw materials to obtain motor fuel

Project cost: 500 million US dollars

Annual design capacity:

Urea - 562 thousand tons;

Ammonium nitrate - 45 thousand tons.

Production of base oil components

Within the framework of the project, the production of components of base oils and fractions for the production of motor fuel will be organized.

Type of activity: processing of hydrocarbon raw materials to obtain motor fuel

Project cost: US\$ 880 million

Annual design capacity:

Components of base oils - 280 thousand tons;

Straight-run gasoline fraction - 30 thousand tons;

Aviation fuel for gas turbine engines - 50 thousand tons;

Transformer oil - 30 thousand tons;

Liquefied petroleum gas - 10 thousand tons.

Construction of a gas chemical complex

The project involves the purification of natural gas and the production of polyethylene and liquefied petroleum gas.

Type of activity: processing of hydrocarbon raw materials to obtain motor fuel

Project cost: US\$ 1.8 billion

Annual design capacity:

Polyethylene - 241 thousand tons;

LPG/LPG - 453 thousand tons.

Expansion of a 400 MW gas turbine power plant

Within the framework of the project, electricity production will be organized by installing additional three gas turbines in 3 stages.

Type of activity: Production of electric energy

Project cost: 300 million US dollars

Annual design capacity:

Expansion design capacity:

396 MW (132 MW at each stage);

PROSPECTIVE INDUSTRIES

MACHINERY

CONSTRUCTION



Special machinery



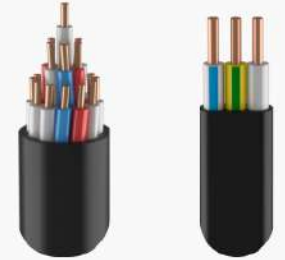
Buses



Ships, boats



Transformers



Control and power cables



Oil heating furnaces



Products for the oil and gas industry



Shut-off valves



Turbine repairs



Weapon

PROSPECTIVE INDUSTRIES

AGRO-INDUSTRIAL COMPLEX

AGRICULTURAL
LANDS

7,7

mln HA

IRRIGABLE LANDS

35

thsd HA

TOTAL LIVESTOCK

4,2

mln heads

WKR is the leader in the breed transformation of beef cattle

KAZAKH WHITE - HEADED



Bred by crossing a Kalmyk cow with Hereford bulls.

The maximum live weight of bulls reaches 1,300 kg with a slaughter yield of up to 60%.

Adapted to seasonal changes in the level and tiav of feeding

833,5 thsd

The total number of cattle in the WKR

KUSHUM HORSE BREED



High milk productivity, average daily milk yields are 14-22 liters of milk. 83-84 foals are born annually from 100 mares.

282,2 thsd

The total number of horses in the WKR

EDILBAEVSKAYA BREED OF SHEEP



High precocity of young animals at the level of the best breeds in the world, the live weight of lambs at the age of four months is about 40-45 kilograms. The live weight of sheep reaches 160 kilograms.

1,5 mln

The total number of small cattle in the WKR

SUPER NICK CHICKEN BREED



High egg production (capable of producing 340-350 eggs annually), disease resistance, rapid maturation, resistance to low temperatures, stable egg production.

1,6 mln

The total number of poultry in the WKR

PERSPECTIVE PROJECTS OF AGRO-INDUSTRIAL COMPLEX

MEAT PROCESSING PLANT

Creation of a meat processing facility and production of meat products in the West Kazakhstan region

Design production capacity: processing of 10 tons of beef per shift

Planned products: frozen or chilled meat, meat products, canned food, animal feed, hides, etc.

Prerequisites for the implementation of the project: a constantly growing number of cattle - more than 800 thousand heads, high quality meat - pasture production for 10 months/ year, the absence of high competition among the MPC

DAIRY FARM

Creation of a dairy farm

Planned products: dairy products of different fat content, cheeses, yogurts, etc.

Prerequisites for the implementation of the project: import substitution (the region's imports in 2021 amounted to more than **\$5.8 million**)

CONSTRUCTION OF A POULTRY FARM

Construction of a poultry farm in a combined direction: chicken meat production, egg production.

Products planned for release: eggs, poultry meat
Prerequisites for the implementation of the project: import substitution (poultry meat imports in 2021 amounted to more than **\$18.9 million**, egg imports in 2021 amounted to more than **\$1.6 million**)

LAND PLOTS

Mechanisms for providing of land plot



INVESTMENT COMMITTEE OF THE MINISTRY OF FOREIGN AFFAIRS OF THE REPUBLIC OF KAZAKHSTAN

Provision as a full-scale grant under an investment contract for up to 49 years

- It is provided on the right of temporary gratuitous land use
- The maximum size of the state in-kind grant is no more than 30% of the volume of investments in fixed assets



AKIMAT OF WEST KAZAKHSTAN REGION

Provision by organizing an auction for land plots

1. Submission of an offer for the selected site
2. Auction Announcement
3. Participation in the auction
4. Signing of the agreement



JOINT-STOCK COMPANY «SOCIAL AND ENTREPRENEURIAL CORPORATION «AQJAIYQ»»

Provision of land plots to foreign Investors for the implementation of Investment projects.

1. Registration of a plot for temporary use in favor of the SEC;
2. Conclusion of an agreement between the SEC and the Investor;
3. Construction of the facility as part of an investment project.
4. Transfer of a land plot to an investor.

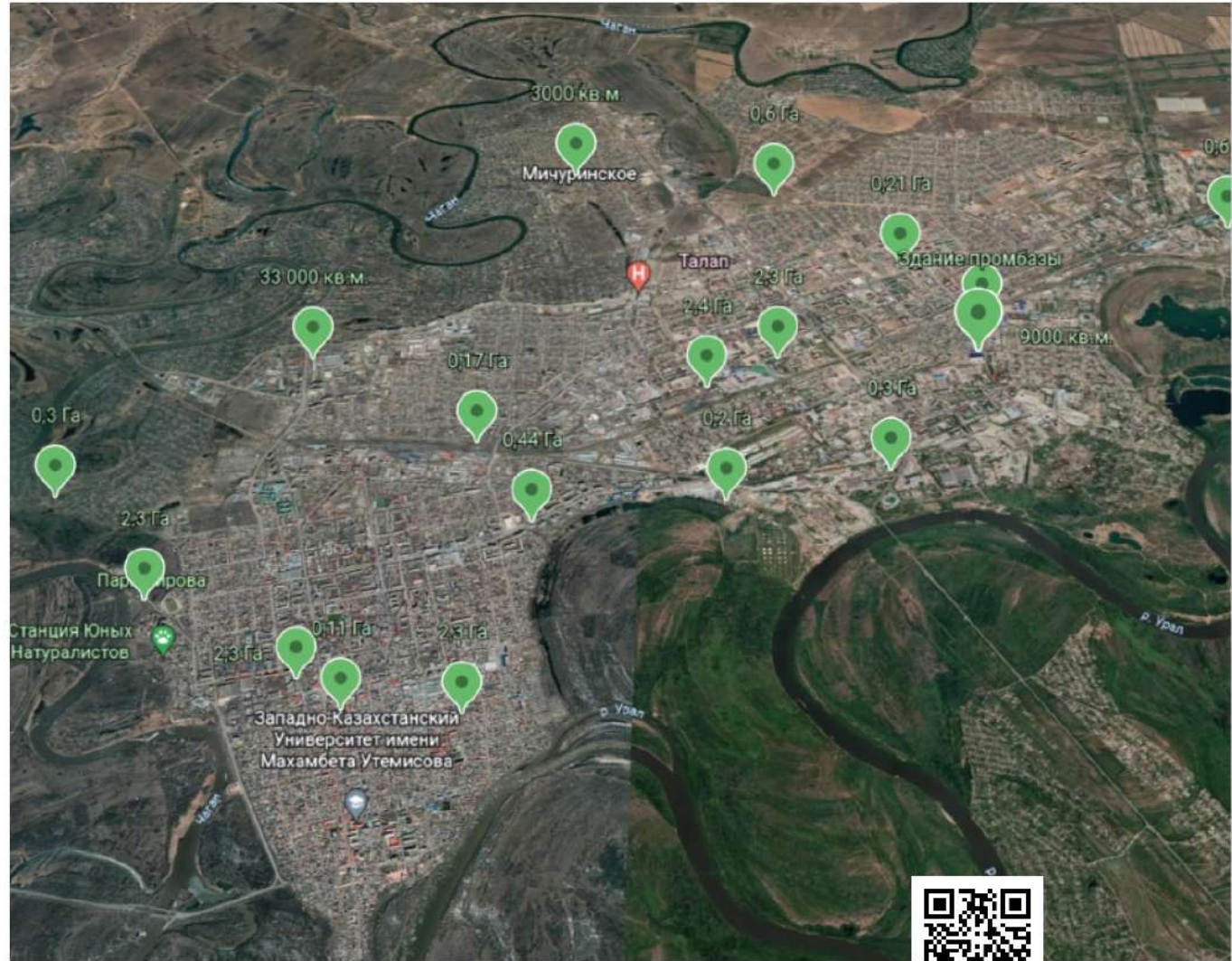
Free registered land plots



EMPTY PREMISES

At the request of the investor, the following is carried out:

- **Search and selection of premises:** there are industrial and office premises with different parameters;
- **Organization of negotiations:** online and offline;
- **Support in making transactions:** the possibility of concluding contracts with a fixed rate for up to 10 years;
- **Search for local counter-partners for joint activities that meet the requirements:** there are a number of large companies with industrial and scientific and technical bases in the region.



HUMAN RESOURCES

more than **4500**

UNIVERSITY GRADUATES

annually

4
INSTITUTIONS
of higher education



State Pedagogical
University named after
M. Utemisov



Agrarian Technical
University named after
Zhangir Khan



Innovation and
Technology
University



University of Innovation
and Telecommunication
Systems

Environment
Urban planning,
construction works
Civil engineering

Information
technologies
Animal husbandry
Forestry

Chemical engineering and
processes
Fisheries
Agroengineering

Electrical engineering
and power
engineering
Mechanics and
metalworking
Oil and gas business

Vehicles
Food production
Veterinary

Mining
Computer technology
and software
Crop production

34
INSTITUTIONS
Technical and
vocational education

Tourism
Pharmacy
Engineering technology
Turning and metalworking
Welding business
Construction of roads and airfields
Exploitation of oil and gas fields
Drilling oil and gas wells

Operation of road construction machines
Clothing industry
Clothing modeling
Construction of buildings and structures
Electromechanical equipment
Agricultural mechanization
Dairy production
Elevator, flour-grinding, cereal and
combined production

Bakery, pasta and confectionery
production
Agronomy
Veterinary
Farming
Oil and gas processing
technology
Construction and
operation of oil and gas
pipelines and warehouses

STATE SUPPORT MEASURES

1. Invest. preferences (project amount not less than 14.0 million US dollars):

Tax preferences:

- Corporate income tax - 0% for 10 years
- Land tax - 0% for 10 years.
- Property tax - 0% for 8 years

Customs preferences: exemption from customs duties for 5 years:

- when importing technological equipment and components for it
- when importing spare parts for technological equipment
- when importing raw materials and (or) materials
- buildings, structures, machinery and equipment)

State in-kind grant (*land plot, buildings, structures, machinery and equipment*)

The estimated price of an in-kind grant should not exceed 30% of the capital investment

2. Bringing the infrastructure up to the boundaries of the investor's land plot at the expense of the state budget.

3. Lending of development institutions:

- currency - tenge
- term - up to 15 years
- rate - 6.0% -8.0% per annum
- for replenishment of working capital 6% -10% per annum
- Possibility of deferred payments
- the possibility of guaranteeing a loan in case of a lack of collateral

4. Return on investment:

- Reimbursement of capital costs of the investor up to 80% depending on the project
- Industry subsidies

5. Equity participation in the project:

At the request of the investor, the state can enter the project in the amount of not more than 49% of the equity capital of the project company, in the form of cash or fixed assets, on pre-agreed conditions for withdrawing from the project.

6. AIFC support (Astana International Financial Center):

- Independent judiciary
- World Class Regulatory Standards
- Liberal visa and labor regimes



5 REASONS TO INVEST IN WKO



LOCATION



**AVAILABILITY OF QUALIFIED
PERSONNEL**



**AVAILABILITY OF NATURAL RESOURCES
(GAS, MINERALS FOR BUILDING MATERIALS, LAND PLOTS FOR VARIOUS
PURPOSES)**



MINIMUM FISCAL BURDEN



**ONE OF THE MOST ECOLOGICALLY CLEAN REGIONS
IN THE REPUBLIC**

INVEST IN WEST!

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**WE INVITE YOU TO MUTUALLY
BENEFICIAL COOPERATION!**



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