



**MANGYSTAU**

SERVICE CENTER OF ENTREPRENEURS

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**The invitation to the international forum of investment projects**

**«Investment Days of Mangystau»**

**October 6-7, 2016 Aktau, Mangystau region (The Republic of Kazakhstan)**

**Dear Ladies and Gentlemen!**

For the last few years, the Republic of Kazakhstan have had a stable high rate of economic development, macroeconomic balance, stable growth in standard of living and the strong position in global market, as confirmed by the World organizations and authoritative international rating institutions.

Mangystau is one of the most attractive regions of Kazakhstan for investors, and it has large industrial, manufacturing, transport and communication infrastructure development potential.

Currently, more than **500** companies with foreign investment exist and work in Mangystau. Investors from countries such as Denmark, China, Italy, South Korea, Turkey, Germany, France and Russia have successfully invested in industries like oil and gas, oil field service, production of the construction materials on the territory of Mangystau region.

The Akimat of Mangystau region invites You to participate in the International forum of investment projects **«Investment Days of Mangystau»** (*further – the Forum*).

This event will provide the platform for acquainting with the projects that require financing in the following sectors of economy:

- oil and gas, oilfield service;
- tourism;
- transportation and logistics;
- construction;
- infrastructure and the alternative energy.

The Forum will be held in **October 6-7th, 2016** in the city of Aktau , Mangystau region. You can register on [www.mangystauinvest.kz](http://www.mangystauinvest.kz) for the approving Your participation. The service center of entrepreneurs of Mangystau region will organize the transfer from the Aktau international airport to the hotel and back.

For more information regarding the Forum, do not hesitate to contact Ainur Tumysheva (*Head of Investor Relations at SCE Mangystau*) at:

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The service center of entrepreneurs of Mangystau region sincerely looking forward to see you at the international forum of investment projects «**Investment Days of Mangystau**».

*Sincerely,*

**Director**



**Ismail Aktan**

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Building of the Chamber of  
entrepreneurs,  
Aktau, district 35,  
130000, Republic of Kazakhstan



# INVESTMENT DAYS OF MANGYSTAU

INTERNATIONAL INVESTMENT FORUM OF MANGYSTAU

2016 October 6-7

THE REPUBLIC OF KAZAKHSTAN, MANGYSTAU REGION, AKTAU.



## «INVESTMENT DAYS OF MANGYSTAU» IS THE CHANCE OF:

- Acquainting with the investment projects and priority development sectors;
- Acquainting with the Government officials and potential local partners;
- Acquainting with the local market and representatives of large corporations.

## «INVESTMENT DAYS OF MANGYSTAU» IS THE QUALITY OF:

- One of the biggest international investment forums in Kazakhstan;
- Support from Government officials;
- Reliability of the provided information.



# THE FORUM PROGRAM



## October 6th, Thursday

**9:00-10:00**

Registration of participants

**10:00-11:00**

The opening ceremony

**11:00-13:00**

The plenary session

**13:00-14:00**

Lunch

**14:00-16:30**

The gallery of investment projects

**16:30-16:50**

Coffee break

**16:50-18:00**

The gallery of investment projects

**18:00-19:30**

Dinner

**20:00**

Evening tour through the city of  
Aktau

## October 7th, Friday

**9:30-10:30**

Parallel sessions

**10:30-10:50**

Coffee break

**10:50-12:30**

Round tables

**12:30-14:00**

Lunch

**14:00-14:30**

Signing of documents

**14:30-18:00**

Investment tour  
to "Sea port" SEZ/International  
Commercial Sea Port

**18:00-20:00**

The closing ceremony

**20:00**

Dinner

## ORGANIZER :



## INVESTOR RELATIONS SERVICES:

- Accompanying the potential investors in the territory of Mangystau region;
- Consultation on legislation and state support measures;
- Services of a translator;
- Development and translation of business-plans;
- Accompanying investors when obtaining borrowed funds and permits.

## PARTNERS:



**ATAMEKEN**

The Chamber of entrepreneurs of  
Mangystau region



МАНҒЫСТАУ

The AKIMAT  
of Mangystau region



INVESTMENT DAYS OF  
**MANGYSTAU**

JOIN US: [www.mangystauinvest.kz](http://www.mangystauinvest.kz)



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- **Territory:** 2.7 mln.sq.km (9<sup>th</sup> place in the World)
- **Population:** 17 753 thousand people
- **GDP (2015):** 40 878 b. KZT
- **GDP per capita (2015):** 2 330 m. KZT
- More than 120 nationalities live in Kazakhstan
- **Languages:**
  - Kazakh (official language)
  - Russian (language of interstate communication)
- **Nationalities:**
  - Kazakhs: 65%
  - Russian: 25%
  - Other: 10%

## General information about the Republic of Kazakhstan and Mangystau region

- **Territory :** 165 600 square km. (9<sup>th</sup> place in KZ)
- **Population :** 624,9 thousand people
- **GDP (2015):** 2 051 b. KZT
- **GDP per capita (2015):** 3 325 b. KZT

Structure of GDP	KZ, %	Mangystau, %
Industry	26,2	50,9
Construction	5,9	7,5
Transportation and warehousing	7,6	7,1
Net taxes	6,6	6,6
Real estate activities	7,9	6,5
Wholesale and retail trade	16,3	4,9
Other services	3,5	3,5
Other	26,0	13,0



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## Kazakhstan in the World economy

Rating of favourable Doing Business



**41th place**  
**(2016)**

Moody's  
International rating agency

**MOODY'S**

**Baa3**  
**«negative»**  
**(22/04/2016)**

Standard & Poor's credit rating agency



**BBB-**  
**«negative»**  
**(17/02/2016)**

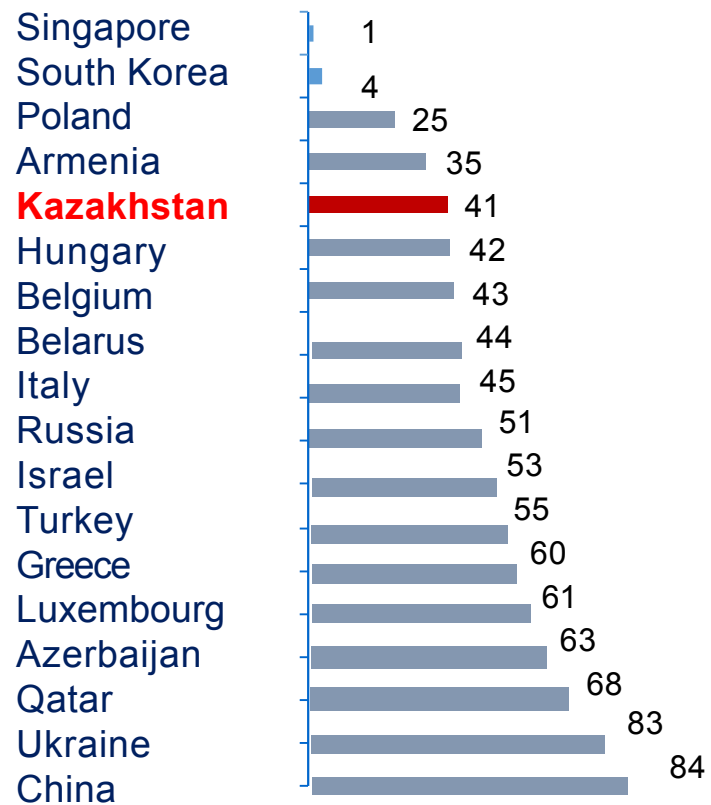
Fitch Rating  
International rating agency

**FitchRatings**

**BBB**  
**«stable»**  
**(29/04/2016)**



Kazakhstan occupies **41th** place among 189 countries



Source: World Bank, Doing Business 2016

## Protection of minority investors

Place	Country
1	Singapore
8	South Korea
20	Turkey
<b>25</b>	<b>Kazakhstan</b>
36	Azerbaijan
49	Armenia
57	Belgium
66	Russia
81	Hungary
134	China

## Taxation

Place	Country
1	UAE
5	Singapore
<b>18</b>	<b>Kazakhstan</b>
34	Azerbaijan
41	Armenia
47	Russia
61	Turkey
90	Belgium
95	Hungary
132	China



## Taxation: comparing with Russia and China

	Kazakhstan	Russia	China
The corporate income tax (CIT)	20%	20%	25%
Value added tax (VAT)	12%	18%	17%
Tax on land	9,46-15,53 KZT per 1 sq.meter	0,3%, 1,5%	-
Property tax	0,5%-1,5%	2,2%	1,2% assessed value; 12% leased property.







## List of countries that signed with Kazakhstan an agreement on visa-free entry

### 10 countries for 90 days

The Republic of Azerbaijan  
The Republic of Kyrgyzstan  
The Republic of Armenia  
The Republic of Belarus  
The Republic of Georgia  
The Republic of Moldova  
The Republic of Tadzhikistan  
Russian Federation  
Ukraine

### 6 countries for 30 days

The Republic of Uzbekistan  
The Republic of Argentine  
The Republic of Serbia  
The Republic of Turkey  
The Republic of Korea  
The Republic of the Philippines

### 20 countries for 15 days

The Union of Australia  
Hungary  
The Republic of Italy  
The Principality of Monaco  
The Kingdom of Belgium  
The Kingdom of Spain  
The Kingdom of the Netherlands  
The Kingdom of Norway  
The Kingdom of Sweden  
Malaysia  
The United Arab Emirates  
Singapore  
The United Kingdom of Great Britain  
and Northern Ireland  
The United States of America  
The Federal Republic of Germany  
The Republic of Finland  
The Republic of France  
The Confederation of Swiss  
Japan

\*Hong Kong Special Administrative Region of China for 14 days

\*Republic of Turkmenistan for 5 days



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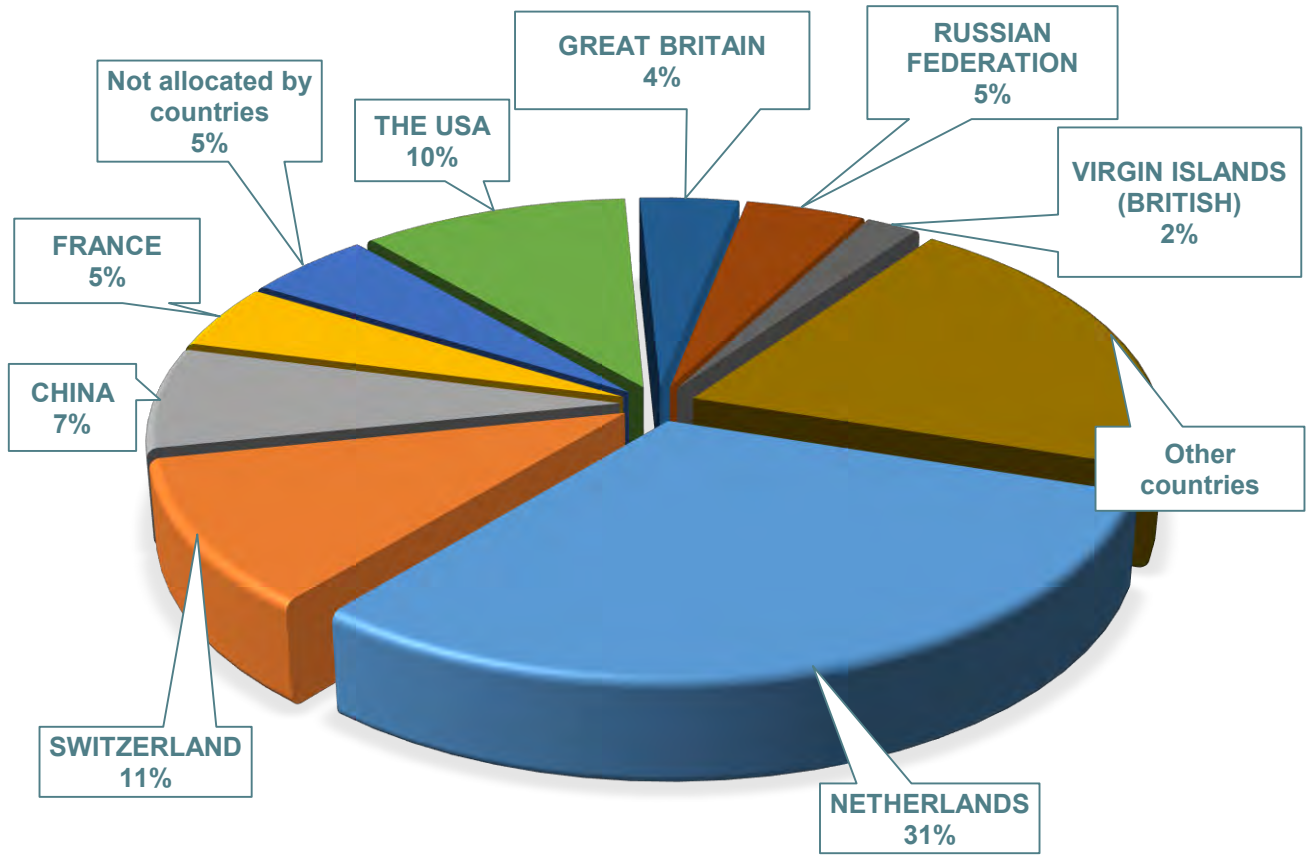
INVESTMENT  
ATTRACTIVENESS OF  
MANGYSTAU REGION

June, 2016

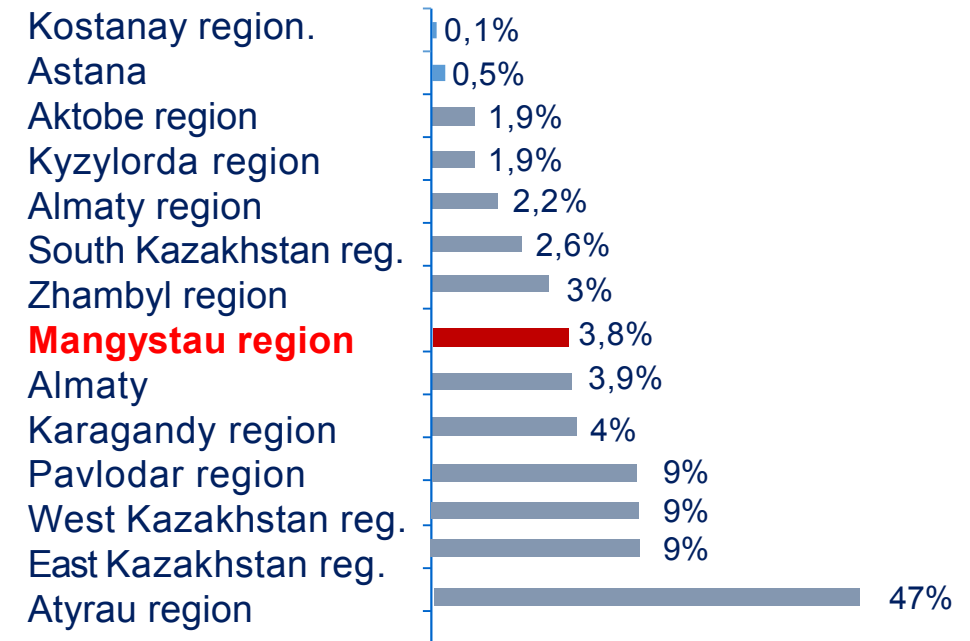


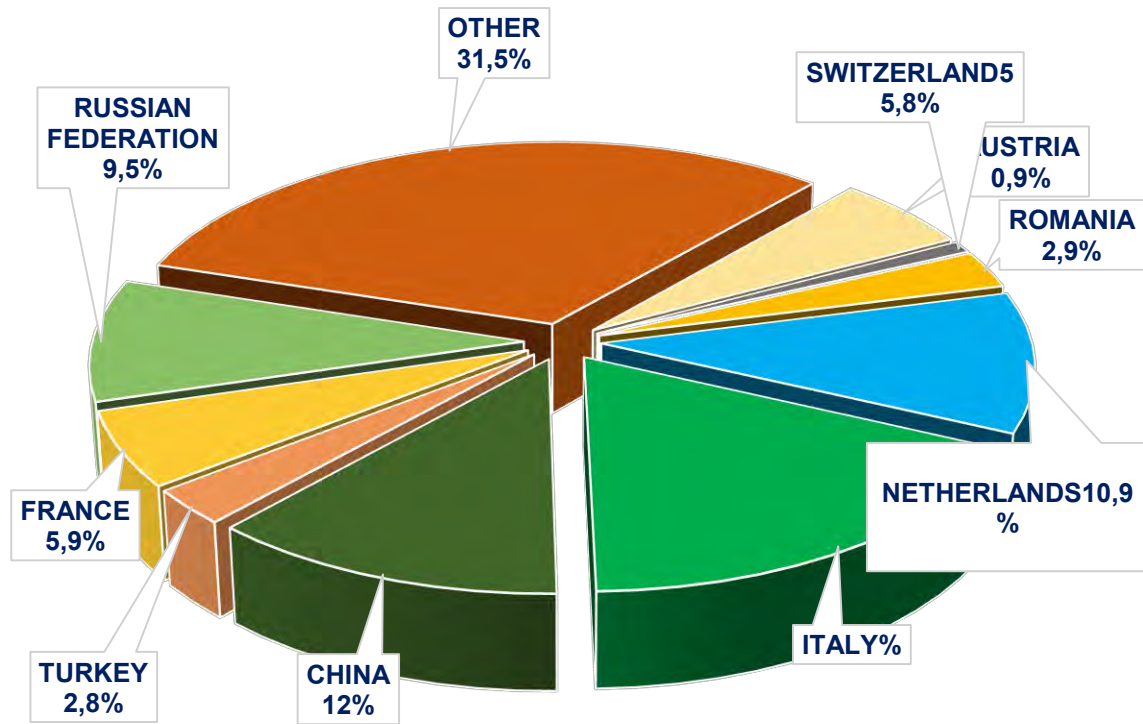


# Countries invested in Kazakhstan (2011-2015)

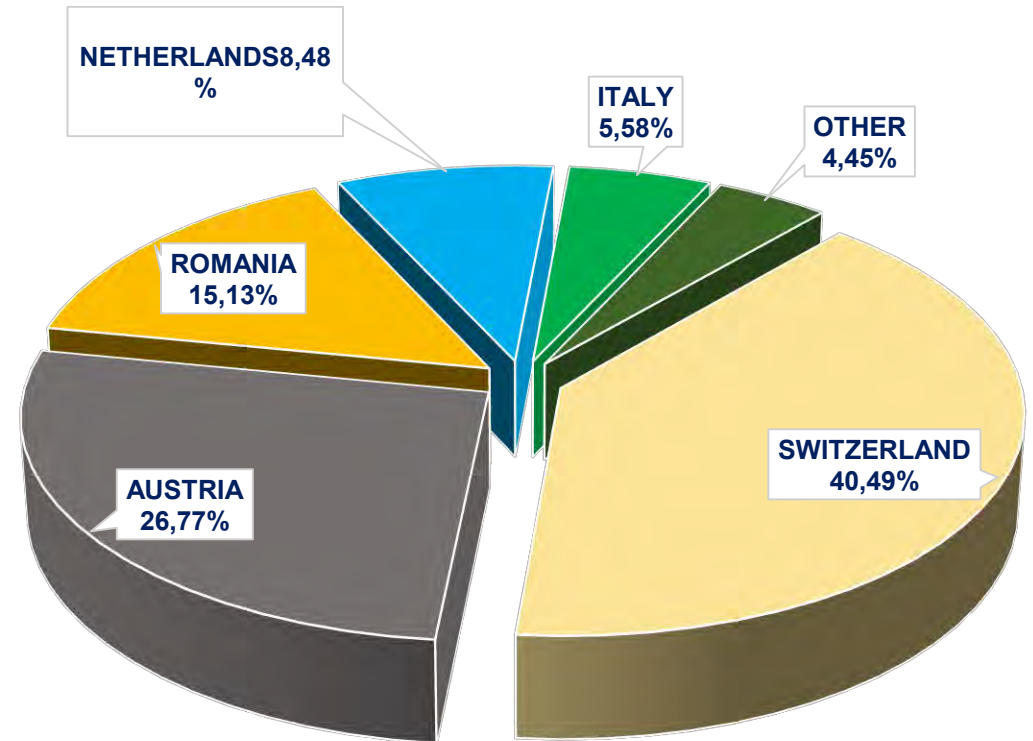


## Foreign direct investments by regions





**THE EXPORT OF THE REPUBLIC OF KAZAKHSTAN**



**THE EXPORT OF MANGYSTAU REGION**





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## Priority sectors of development



**Oil and gas**  
**Oil field service**



**Transportation and**  
**logistics**



**Construction**



**Agriculture**



**Tourism**



**Infrastructure and**  
**the alternative energy**



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**25%** of oil and gas extraction of RK

**59** oil and gas oil files

Explored oil reserves of region **more than 3 bln. ton**

Schlumberger



FMC Technologies



## Investment projects in oil and gas sector

### Implemented

### Implementing

«Buzachi Operating LTD» (China)  
Extraction of crude oil



JSC «Мангистау МунайГаз» (China)  
Extraction of oil and gas



«CITIC» company (China)  
Oil refining and infrastructure of oil and gas sector



«Maersk Oil» company (Denmark)  
Oil refining and infrastructure



«Sheng Xi Energy Technology» company (China)  
Oil refining

«Tenaris» company (Italy)  
Infrastructure of oil and gas sector





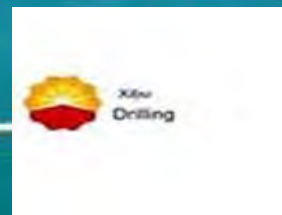
## Investment projects in oil field service complex

### Advantages of the region:

- geographical location;
- the high percentage of investments from large companies (**Keppel, Saipem and Rosetti**);
- big amount of research and project organizations.

Implemented	Implementing
-------------	--------------

«Engineering  
Drilling Company  
«Si Bu» LLC  
Technical support  
for oil and gas  
extraction



"KEPPEL KAZAKHSTAN"  
LLC  
Production of steel  
construction structures



«Kudu industries  
Kazakhstan»  
Canada  
Production of  
screw pumps



«ERSAI»  
Construction of metal  
structures







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## Transportation and logistics complex

- Favorable location of the region– **access to the Caspian Sea**
- Potential markets:
  - through the sea **250 mln. people** (population of Kazakhstan, Russia, Azerbaijan and Iran);
  - by railways **1 560 mln. people** (population of Kazakhstan, Russia, Azerbaijan, Iran and China)
- The Silk way:
  - from China to Europe and Persian Gulf, crosses **Mangystau region**.
- The Customs Union of EAEC:
  - mutual trade without applying customs duties between **Kazakhstan, Russia, Kyrgyzstan, Belarus и Armenia** (market 180 mln. people)
- Kazakhstan’s accession to the World Trade Organization.

### CAR WAYS

Astrakhan – Atyrau – Dossor – Kulsary – Beyneu – Shetpe – Zhetibay – Aktau
Aktau-Beyneu-Atyrau
Beyneu – Akzhigit – the border of the Republic of Kazakhstan
Zhetibay – Zhanaozen – the border of the Republic of Turkmenistan

### RAILWAYS

Aktau – Borzhakty – Ersai – Kazanzhik (Turkmenistan) – Gorgon(Iran)
Aktau – Atyrau – Astrakhan
Aktau – Aktobe – Uralsk – Saratov
Aktau – Aktobe – Orenburg
Aktau – Beyneu – Akzhigit – Kungarat – Dashkhovuz (Turkmenistan) – Urgench (Uzbekistan)

### SEAWAYS



### AIRWAYS

Aktau — Astrakhan	≈ 50 minutes
Aktau — Baku	≈ 1 hour
Aktau — Erevan	≈ 1 hour 20 minutes
Aktau — Kiev	≈ 6 hours 10 minutes
Aktau — Krasnodar	≈ 1 hour 35 minutes
Aktau — Makhachkala	≈ 50 minutes
Aktau — Mineralnye Vody	≈ 50 minutes
Aktau — Moscow	≈ 2 hours 40 minutes
Aktau — Stambul	≈ 3 hours
Aktau — Tbilisy	≈ 50 minutes
Aktau — Batumi	≈ 50 minutes
Aktau — Samara	≈ 1 hour 30 minutes
Aktau — Sochi	≈ 2 hours 30 minutes

## Investment projects in touristic sphere

### ***Touristic cluster of West Kazakhstan 2020***

- Center of the beach tourism;
- «Kenderli» resort;
- System plan of resort is developed .

**The implementation of anchor project “Kendirli”**

***The Caspian Sea – the greatest closed reservoir in the World!***

**Karagiye cavity which is -132 meters below the sea**

**Canyons of Mangystau region:**

- Tamshaly;
- Ustirt;
- Sultan-Epe.

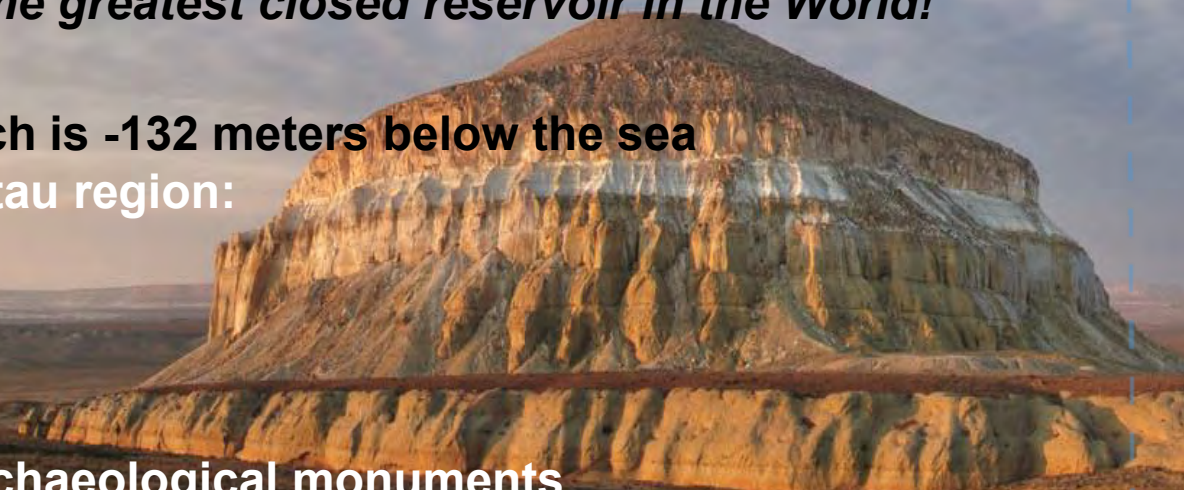
**Architectural and archaeological monuments**

**Hot radon springs.**

### **Planned projects**

**Construction of  
hotel in Kendirli  
resort  
(Germany,Egypt)**

**Construction of  
airport in Kendirli  
resort  
(China)**







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- **45%** of investments in fixed assets of Mangystau region is formed by the construction and capital repairing of buildings;
- Mangystau region occupies the leading position among another regions of Kazakhstan in building and reconstruction of roads.



## Investment projects in construction sector

Implemented	Implementing
-------------	--------------

«KCOI» company  
(Italy)  
Construction of industrial  
complex producing the  
marine steel structures

ENI  
(Italy)  
Construction of  
shipbuilding/  
shiprepair Yard in  
Kuryk



«Каспий цемент»  
LLC  
Germany  
Production of  
cement

"СП "Caspi Bitum"  
LLC  
China, Kazakhstan  
Production of road  
bitumen

CNPC  
(China)  
Construction of industrial complex  
producing oil and gas equipment



Developing the camel breeding farms and production of camel milk

more than **40%** camels of Kazakhstan inhabit Mangystau region



Development of aquaculture



Agriculture sector

Production of greenhouses



## Infrastructure and the alternative energy

### Tariffs for water supply (tg/m<sup>3</sup>)

Average tariffs	hot water	technical water
	<b>289,51</b>	<b>232,23</b>



Natural zone: **Semi-desert**  
sharply continental and dry climate



Average temperature in  
January **-7 °C**, in July **+27 °C** (  
some days the temperature  
rises up to **+40 °C**)



The average annual  
rainfall is about **100—150  
mm**



Sunshine **3000 hours a  
year**



Wind speed **6 m/sec**

### Proposed projects



### Tariffs for electricity (tg/ kWt per hour )

#### Tariffs for electricity

**16,47**

### Average tariffs for heating (tg/Gkal)

#### Average tariffs

**4023,6**

### Tariffs for gas (tg/m<sup>3</sup>)

#### Tariffs for gas

**16,87**



## Investment project

1. Exemption from custom duties;
2. State grants:



LAND



BUILDINGS AND  
STRUCTURES

### 3. Privileges for Taxes :



Corporate income tax



Tax on land



Property tax

0%

### 4. Investment subsidies:

Up to **30%** capital costs.

## Public-private partnership

1. Payments to private partner:
  - subsidies;
  - compensation of investment costs;
  - compensation of operating costs;
  - Management fees;
  - availability fees.
2. State support:
  - State guarantee for infrastructure bonds;
  - transfer of rights;
  - state grant;
  - co-financing;
  - consumer warranty.

## Special economic zone

1. Exemption from custom duties;
2. Privileges for Taxes :



Corporate income tax



Tax on land



Property tax

Social tax

0%

Exemption from VAT  
(for products consumed  
in SEZ)

### 3. Other incentives:

- Providing the **free land** for the whole term of SEZ existence;
- Simplified procedure for the recruitment of foreign labor.





## Infrastructure of investment activity support

### Financial support



Tax exemption, low tax rates

Investment subsidies

Subsidies for interest rates

Providing the State grants

Compensations of investment and operating costs

### Non-financial support



Accompanying the potential investors in the territory of Mangystau region

Consultation on legislation and state support measures

Services of translator

Development and translation of the business-plan

Accompanying investors when obtaining borrowed funds and permitting documents

THANK YOU FOR  
YOUR ATTENTION!

[www.copmangystau.kz](http://www.copmangystau.kz)



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