



# **INVESTMENT ATTRACTION to the manufacturing industry of the Republic of Kazakhstan**

Astana, 2023

# CURRENT STATE IN THE MANUFACTURING INDUSTRY

Potential for manufacturing industry  
development  
financed from **internal reserves**

**\$ 46.3**  
billion

(imports of the Republic of Kazakhstan for 2022)

▪ Machinery	\$ 19,9 billion
▪ Chemical industry	\$ 4,4 billion
▪ Metallurgy	\$ 3,3 billion
▪ Light industry	\$ 3,0 billion
▪ Pharmaceuticals	\$ 1,9 billion
▪ Construction materials	\$ 1,2 billion
▪ Other industries	\$ 12,6 billion

Supply potential  
of processed goods  
to **the macroregion** market

more than

**\$ 294.7**  
billion

(imports of other EAEU member countries for 2021)

▪ Machinery	\$ 141,2 billion
▪ Chemical industry	\$ 27,9 billion
▪ Metallurgy	\$ 14,8 billion
▪ Light industry	\$ 20,5 billion
▪ Pharmaceuticals	\$ 16,5 billion
▪ Construction materials	\$ 4,5 billion
▪ Other industries	\$ 69,3 billion

# MANUFACTURING INDUSTRIES

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Manufacturing industries  
have **competitive advantages** in attracting investments

- 1 Oil and gas engineering
- 2 Construction materials
- 3 Light industry
- 4 Agrochemistry
- 5 Steel industry
- 6 Aluminum industry
- 7 Copper industry
- 8 Lead industry
- 9 Rare and rare earth metals

## KEY INDICATORS FOR 2022



PRODUCTION

**\$65**

million



KAZAKH IMPORT

**\$955**

million



MACROREGION  
IMPORT\*

**\$ 14 622**

million

\*\*imports of the machinery industry in the EAEU for 2021 -  
Russia, Belarus, Armenia, Kyrgyzstan

# POTENTIAL INVESTMENT AREAS FOR OIL AND GAS ENGINEERING GOODS

## products

- 1 **FITTINGS** *for pipelines, boilers and tanks*
- 2 **PUMPS** *air or vacuum, gas compressors*
- 3 **MACHINERY AND MECHANICAL DEVICES**
- 4 **CENTRIFUGAL PUMPS**
- 5 **EQUIPMENT** *for water treatment and filtering*
- 6 **EQUIPMENT** *for sorting, screening and separation*
- 7 **PUMPS** *reciprocating positive displacement*
- 8 **EQUIPMENT** *for oil or fuel filtering in engines*
- 9 **MACHINERY AND UNITS** *for material processesing*
- 10 **POWER UNITS** *hydraulic engines (cylinders)*



## Kazakh import

\$ million

thousand  
tons

279

25

200

7

155

11

115

10

65

4

74

9

52

8

60

7

43

3

33

2

## Import of Macroregion

(2021 г.)

\$ million

thousand  
tons

2 101

164

735

63

1 299

92

862

92

262

16

103

12

303

14

379

39

1 051

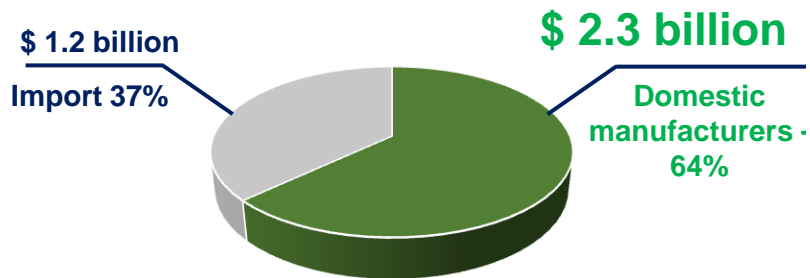
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347

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# CONSTRUCTION INDUSTRY

## DOMESTIC MARKET, 2022



## IMPORT-DEPENDENT GOODS

Bathroom ceramics	100%
Linoleum	100%
Wallpaper	100%
Soft roofing material	3% 97%
Ceramic tiles	6% 94%
Thermal insulating materials	31% 69%

## HOUSING CONSTRUCTION 2023-2025







**68**  
mln m<sup>2</sup>

**20.5**  
mln m<sup>2</sup>

**22.5**  
mln m<sup>2</sup>

**25**  
mln m<sup>2</sup>

## MARKET DEMAND FOR PRODUCTS

	 Ceramic tiles	 Thermal insulating materials	 Paints and varnishes	 Interroom door units	 Wallpaper	 Bathroom ceramics
2023	<b>36</b> mln m <sup>2</sup>	<b>2.3</b> mln m <sup>3</sup>	<b>85.3</b> thousand tons	<b>2.6</b> mln m <sup>2</sup>	<b>23.5</b> mln m <sup>2</sup>	<b>80</b> thousand pieces
2024	<b>40</b> mln m <sup>2</sup>	<b>2.4</b> mln m <sup>3</sup>	<b>91.6</b> thousand tons	<b>2.8</b> mln m <sup>2</sup>	<b>25.2</b> mln m <sup>2</sup>	<b>86</b> thousand pieces
2025	<b>44</b> mln m <sup>2</sup>	<b>3.4</b> mln m <sup>3</sup>	<b>128.2</b> thousand tons	<b>4.0</b> mln m <sup>2</sup>	<b>35.3</b> mln m <sup>2</sup>	<b>120</b> thousand pieces

# POTENTIAL INVESTMENT AREAS FOR CONSTRUCTION GOODS

## products

- 1 CERAMIC TILES
- 2 REFRACTORY BRICKS *blocks, tiles and refractory ceramic building materials*
- 3 WALLPAPERS AND WALL COVERINGS *consisting of paper*
- 4 BRICKS *made of ceramics*
- 5 SLAG WOOL, MINERAL SILICATE WOOL *in bulk, in sheets or rolls*
- 6 LAMINATE
- 7 VINYL CHLORIDE POLYMER COATINGS FOR FLOOR , *self-adhesive or non-self-adhesive (linoleum)*
- 8 BATHROOM CERAMICS *sinks, bathtubs, bidets, etc. from ceramics*
- 9 REFRACTORY CEMENTS *mortars and similar preparations*



## Kazakh import

\$ million      thousand tons

143      433

81      79

64      17

64      1 002

58      73

57      68

39      16

35      30

29      28

## Import of Macroregion

(2021 г.)

\$ million      thousand tons

548      1276

114      91

162      44

32      327

53      83

83      122

153      101

83      39

229      225

# LIGHT INDUSTRY

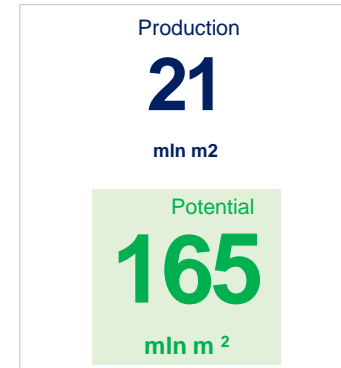
## Cotton fiber



## Cotton yarn



## Cotton fabric



Necessary

**4**  
factory



Spinning mill



Textile factory



Garment factories



## Cattle skins



## Wool



Factories for construction



Factories for leather dressing

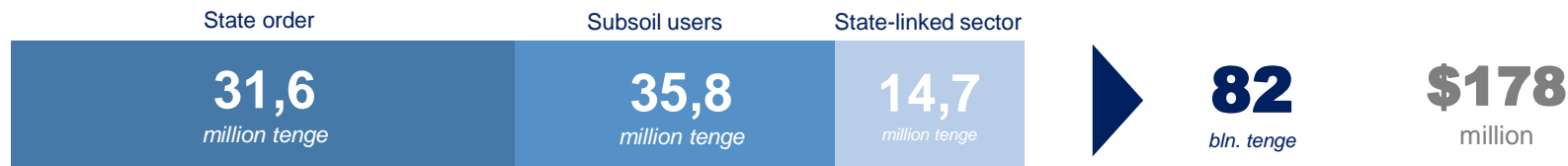


Factories for wool processing



Shoe factories

## SALES OF FINISHED PRODUCTS



Providing **long-term orders** in regulated procurements  
on the terms of mutual obligations

Retail market of the Republic of  
Kazakhstan  
(import)

**\$ 3 022**  
million

Retail market of the macroregion  
(import)

**20 473**  
million

**\$ 23 495**  
million

# POTENTIAL INVESTMENT AREAS IN LIGHT INDUSTRY

## products

- 1 **T-SHIRTS, SWEATSHIRTS WITH SLEEVES**  
*of cotton yarn, crocheted or crocheted*
- 2 **FOOTWEAR** *with soles and uppers of rubber or plastics*
- 3 **PANTS, OVERALLS**  
*breeches and shorts for women or girls, of cotton yarn*
- 4 **PANTS, OVERALLS**  
*cotton breeches and shorts*
- 5 **HOSIERY AND FOOTLESS SHOES** *knitted/hand knitted from cotton yarn*
- 6 **SWEATERS, PULLOVERS, JUMPERS, VESTS**  
*knitted/hand-knitted cotton yarn*
- 7 **FOOTWEAR** *with rubber or plastic soles*
- 8 **TOILET AND KITCHEN LINEN**  
*from terry materials with cotton yarn*
- 9 **FOOTWEAR** *with soles of rubber, plastics, natural or composition leather, with uppers of natural leather*



## Kazakh import

\$ million      thousand tons

**106**      **9,3**

**102**      **12**

**91**      **6**

**85**      **4,4**

**81**      **16**

**73**      **3,3**

**54**      **3,2**

**54**      **11**

**27**      **1**

## Import of Macroregion

(2021 г.)

\$ million      thousand tons

**642**      **40**

**478**      **67**

**466**      **22**

**420**      **21**

**224**      **33**

**567**      **27**

**925**      **66**

**112**      **22**

**702**      **30**

## DEMANDED FERTILIZERS

### VOLUME

### SHARE OTP

**Ammonium nitrate**

*KazAzot JSC*

**310,9**

**62%**

**Ammophos (MAP/DAP)**

*Kazphosphate LLP*

**446,4**

**72%**

**Ammonium sulfate**

*AMT JSC, Talas Investment LLP*

**26**

**3%**

**Urea**

*Not produced in the Republic of Kazakhstan*

**0**

**0%**

**Sulfoammophos**

*Not produced in the Republic of Kazakhstan*

**0**

**0%**

**Complex ( NPK )**

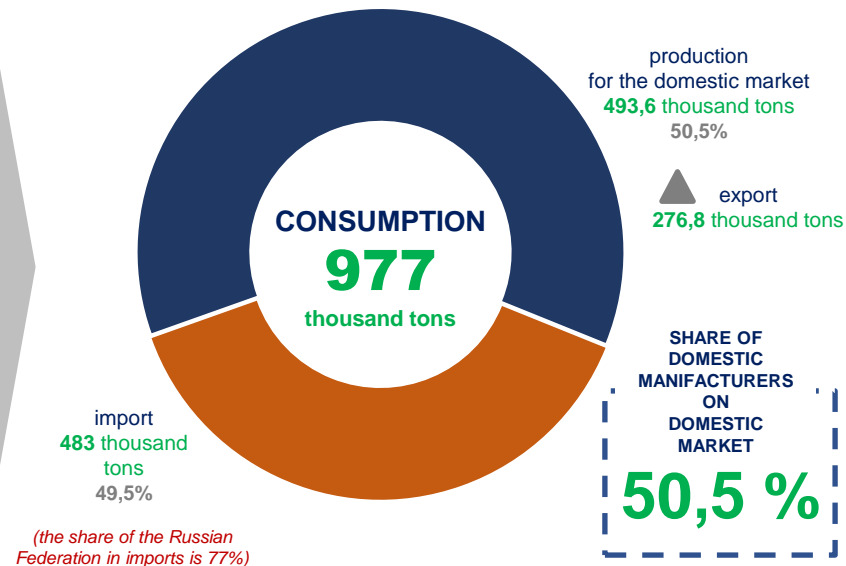
*Not produced in the Republic of Kazakhstan*

**0**

**0%**

2022

Total production - **770,4** thousand tons



# POTENTIAL INVESTMENT AREAS FOR AGROCHEMISTRY GOODS

## products

**1 HERBICIDES**  
*anti-sprouting products and plant growth regulators*

**2 FUNGICIDES**



## Kazakh import

\$ million

thousand  
tons

**195,1**

**22,6**

**36**

**2,6**

## Import of Macroregion (2021 г.)

\$ million

thousand  
tons

**308**

**44**

**321**

**28**

## CURRENT STATE OF THE INDUSTRY

**32,8**  
million tons

Mining (iron ore)

**14**  
million tons

Enrichment (concentrate)

Processing

**5,6**  
million tons

Potential

**8,4**  
million tons



A plant is  
needed

**NOW EXPORTED:**

- China – **5,6** million tons
- Russia – **2,8** million tons

**POTENTIAL**

**8,6**

million tons per year

**THE INDICATED VOLUME OF IRON ORE  
EXPORT IS THE POTENTIAL FOR THE  
IMPLEMENTATION OF THE PROJECT FOR THE  
PRODUCTION OF HOT BRIQUETTED IRON**

# POTENTIAL INVESTMENT AREAS FOR STEEL GOODS

## products

- 1 REBAR
- 2 FLAT-ROLLED PRODUCTS
- 3 BILLETS *of iron or non-alloy steel*
- 4 PIPES *welded and longitudinal*
- 5 STRUCTURAL STEEL *angles, channels, I-beams and wire rod*
- 6 WIRE ROD



## Import of KZ (2022)

\$ million

538

thousand  
tons

734

500

533

420

678

404

280

259

253

75

87

## Import of Macroregion (2021 z.)

\$ million

698

thousand  
tons

978

1507

1 298

8

12

440

400

247

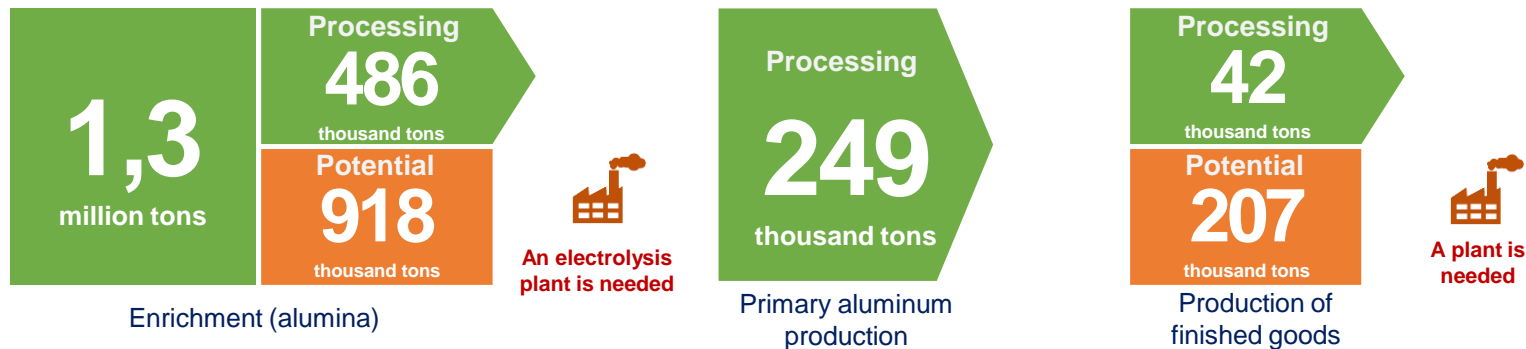
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65

31

# ALUMINUM INDUSTRY

## CURRENT STATE OF THE INDUSTRY



## DEVELOPMENT POTENTIAL BY COMMODITY

### ALUMINUM PRODUCTS

**\$166**  
million

- Aluminum unalloyed
- Cylindrical containers
- Cast products
- Wire
- Construction metal structures
- Foil



# POTENTIAL INVESTMENT AREAS FOR ALUMINUM COMMODITIES

## products

1 PLATES, SHEETS, STRIPS OR RECTANGULAR TAPES

2 RODS AND PROFILES *from aluminum alloys*

3 ROD

4 HOLLOW PROFILES

5 FOIL

6 POWDERS *aluminum*



## Import of KZ (2022)

\$ million

thousand  
tons

63

12

25

6

18

6

15

3

12

2

6

1

## Import of Macroregion (2021 г.)

\$ million

thousand  
tons

170

45

107

21

102

38

183

38

52

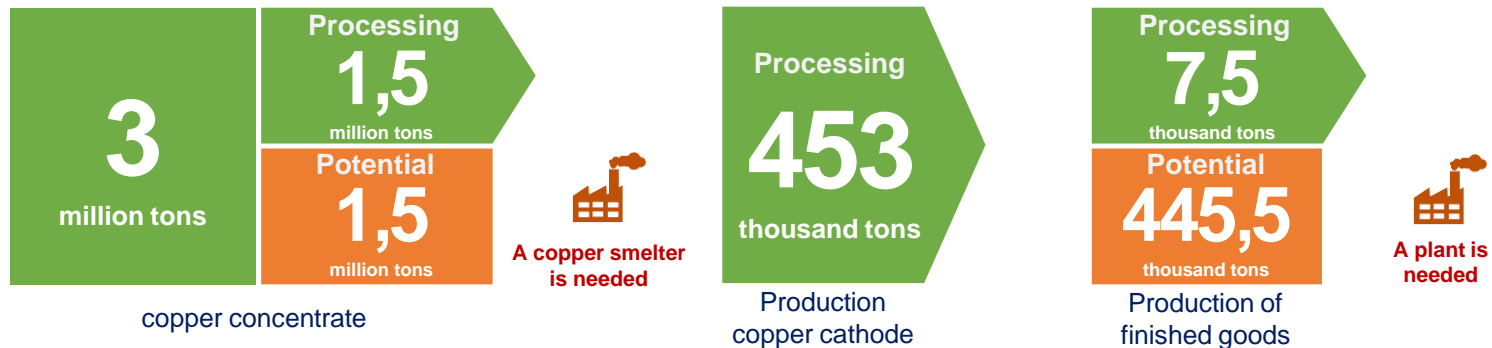
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1

# COPPER INDUSTRY

## CURRENT STATE OF THE INDUSTRY



## DEVELOPMENT POTENTIAL BY COMMODITY

### COPPER PRODUCTS

**\$74**  
million

- Fittings for pipes and tubes made of copper alloys
- Plates, sheets and strips
- Pipes and tubes
- Wire
- Foil

# POTENTIAL INVESTMENT AREAS FOR COPPER COMMODITIES

## products

- 1 ROD
- 2 FITTINGS FOR PIPES AND TUBES
- 3 PIPES AND PIPES
- 4 PLATES, SHEETS, STRIPS AND TAPES
- 5 RODS AND PROFILES



## Import of KZ (2022)

\$ million

30

thousand  
tons

4

15

1

6

0,5

6

2

4

0,4

## Import of Macroregion (2021 г.)

\$ million

147

thousand  
tons

15

244

18

151

14

11

1

13

1

## CURRENT STATE OF THE INDUSTRY



Lead concentrate



Lead production



Production of finished products



## DEVELOPMENT POTENTIAL BY COMMODITY

### LEAD PRODUCTS

- Lead products
- Lead, unwrought
- Plates, sheets or strips
- Powders and flakes



## GUARANTEED PURCHASE

1

### OFFTAKE CONTRACTS

long-term, guaranteed purchase of processed goods

- are the **subject of collateral** for lending in the STB and DBK;
- it is not allowed to **unilaterally** make changes in terms of **reducing the price** or **reducing the volume** of the purchase;
- in cases of refusal to redeem goods (*not through the fault of the supplier*), a **penalty is provided**

2

### CONTRACT PROCUREMENT (OFFSET)

in addition to the purchase of manufacturing goods, conditions are provided for the investment of funds in the economy of the Republic of Kazakhstan

- direct investments;
- Investment in R&D;
- creation of production;
- construction of training centers;
- infrastructure development;
- technology transfer, etc.

## Customers



Government agencies



Subjects of the state and quasi-public sector



Subsoil users engaged in non-renewal exploitation

## AMOUNT OF FINANCING BY DEVELOPMENT INSTITUTIONS



### PRIORITY INCENTIVE SECTORS:

- Light industry
- Production of building materials
- Mechanical engineering (*manufacture of household appliances and elevators*)
- Metallurgy and metalworking
- Development of mass production by creating small industrial parks in the regions
- Development of SMEs

# LIST OF NECESSARY PERSPECTIVE PLANTS FOR DEVELOPMENT IN KAZAKHSTAN

## CURRENTLY BEING EXPORTED

**IORM**

**8,6**

million tons per year



**ALUMINA**

**830**

thousand tons per year



**COPPER  
CONCENTRATE**

**1,5**

million tons per year



**LEAD**

**84**

thousand tons per year



## CONSTRUCTION IS NEEDED

**STEELMAKING PLANT**

**ELECTROLYSIS PLANT**

**COPPER SMELTING PLANT**

**FACTORIES FOR THE PRODUCTION  
OF FINISHED LEAD PRODUCTS**

# LIST OF NECESSARY PERSPECTIVE PLANTS FOR DEVELOPMENT IN KAZAKHSTAN

**CURRENTLY BEING  
PRODUCED**

*thousand tons*

**CATHODE COPPER**

**453**



Pipe and tube fittings, plates, sheets and strips, pipes and tubes

**PRIMARY ALUMINUM**

**249**



Cylindrical containers, cast products, wire and foil

**COTTON FIBER**

**55**



Yarn, textiles and ready-to-wear

**SHEET GLASS**

**197**



Glass containers, glass wool, glassware, auto glass and thin glass

**POLYPROPYLENE**

**500**



Geosynthetic fabrics, bags, big bags, plastic windows, pipes, tableware and furniture



*List of necessary plants*



# COOPERATION CONTACTS

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