



MANGYSTAU

SERVICE CENTER OF ENTREPRENEURS

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 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

The banner features a collage of images: the top left shows the Kazakh flag; the top center is the coat of arms of Mangystau; the middle left is a modern building with a blue dome; the middle right shows oil pumpjacks in a desert landscape; and the bottom right shows waves. The text is overlaid on these images.

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



МАНГЫСТАУ

The AKIMAT
of Mangystau region



JOIN US: www.mangystauinvest.kz

INVESTMENT DAYS OF
MANGYSTAU



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MANGYSTAU

SERVICE CENTER OF ENTREPRENEURS

- **Territory:** 2.7 mln.sq.km (9th 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. (9th 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



MANGYSTAU
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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)

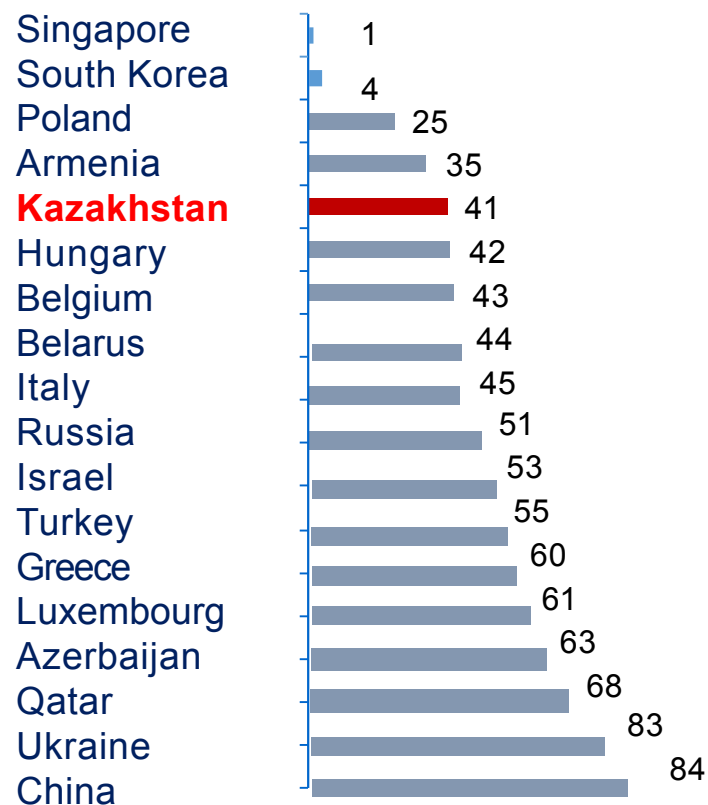
Fitch Rating
International rating agency

FitchRatings

BBB
«stable»
(29/04/2016)

Doing business 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
25	Kazakhstan
36	Azerbaijan
49	Armenia
57	Belgium
66	Russia
81	Hungary
134	China

Taxation

Place	Country
1	UAE
5	Singapore
18	Kazakhstan
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.





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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 Argentina
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



MANGYSTAU

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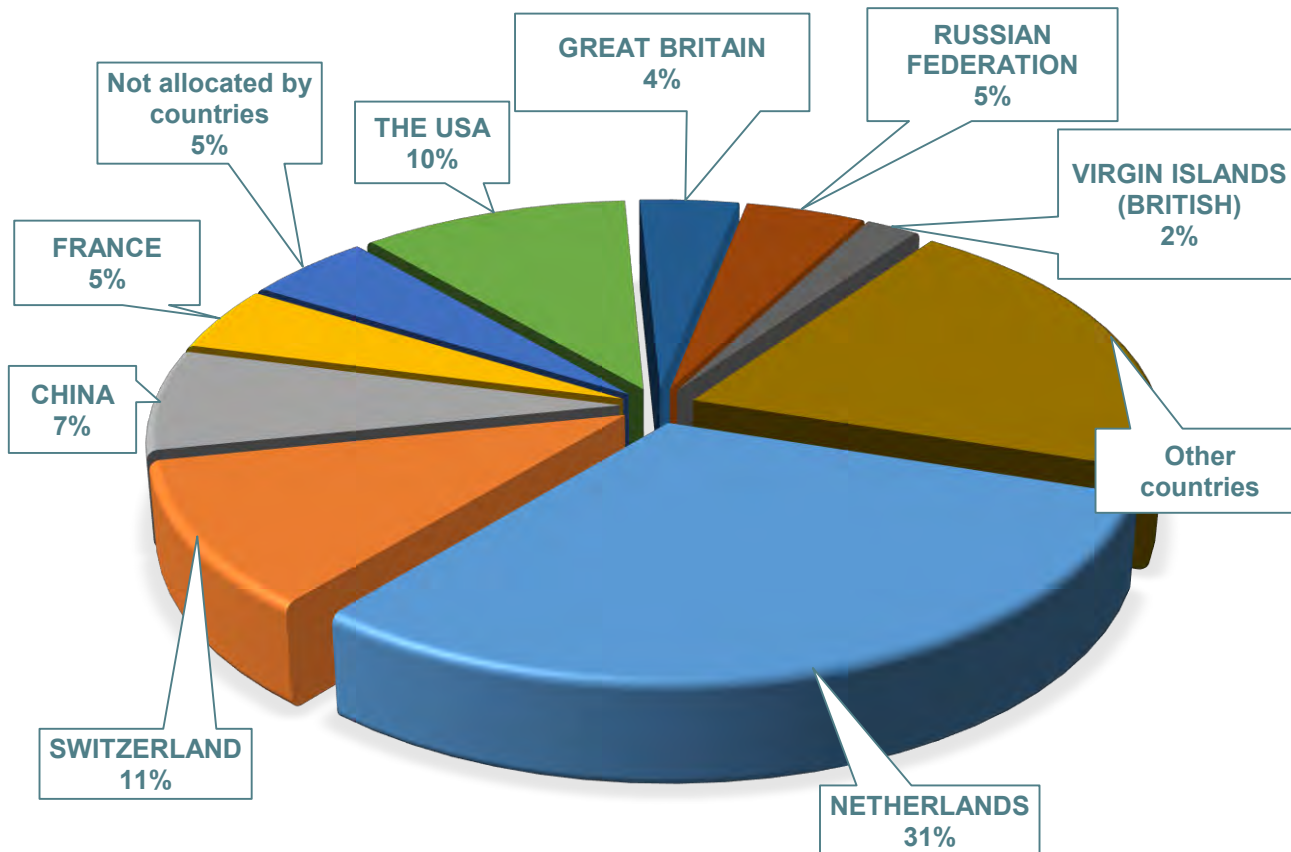


INVESTMENT ATTRACTIVENESS OF MANGYSTAU REGION

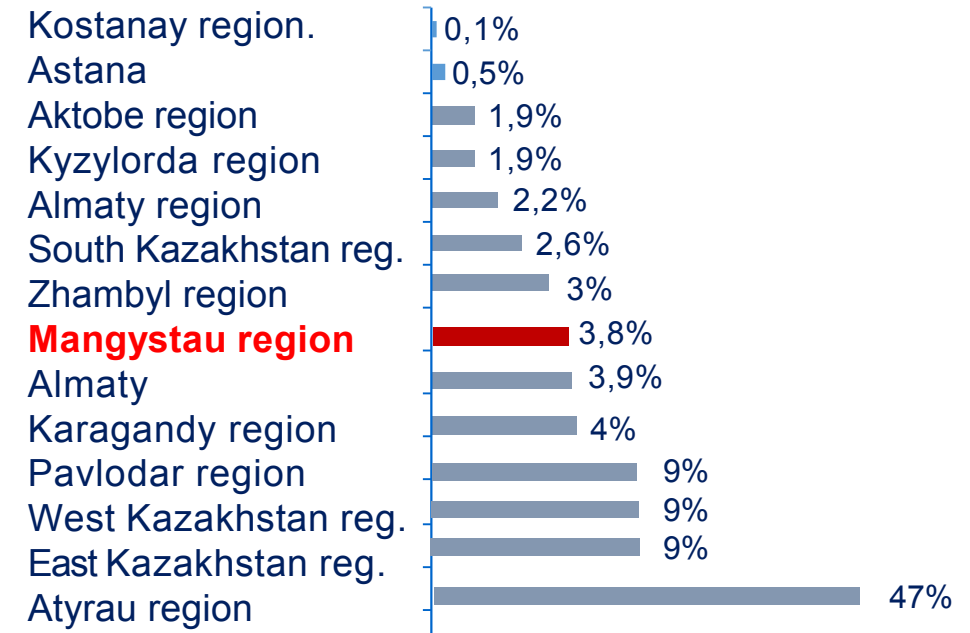
June, 2016

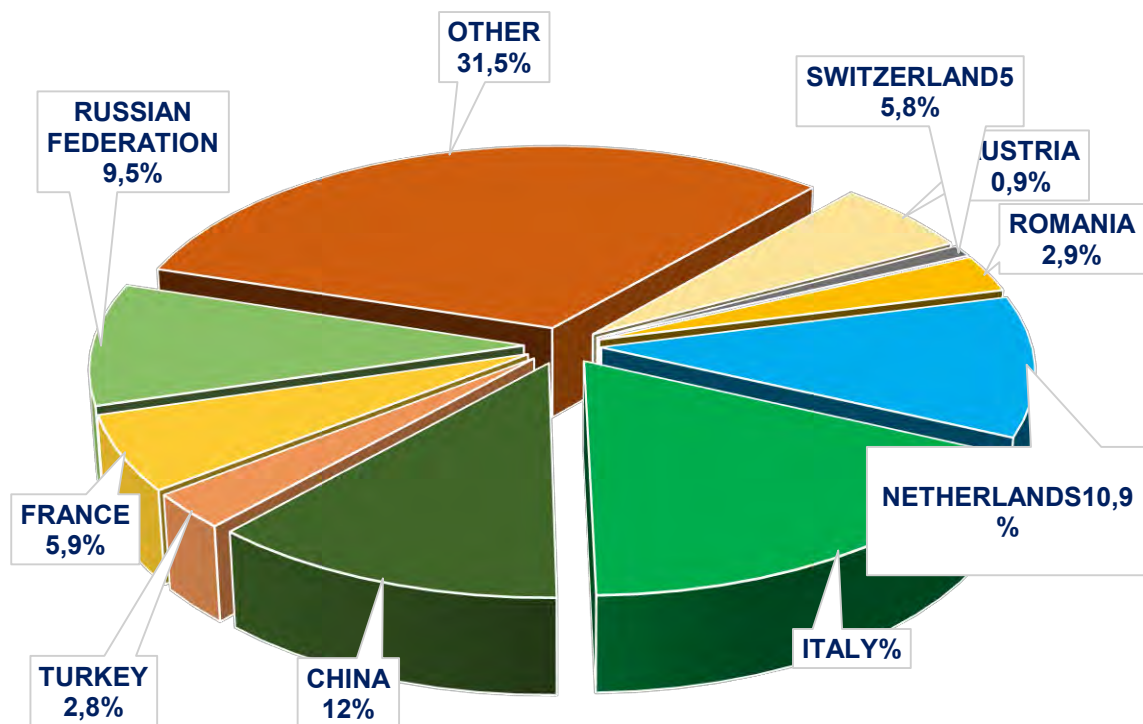


Countries invested in Kazakhstan (2011-2015)

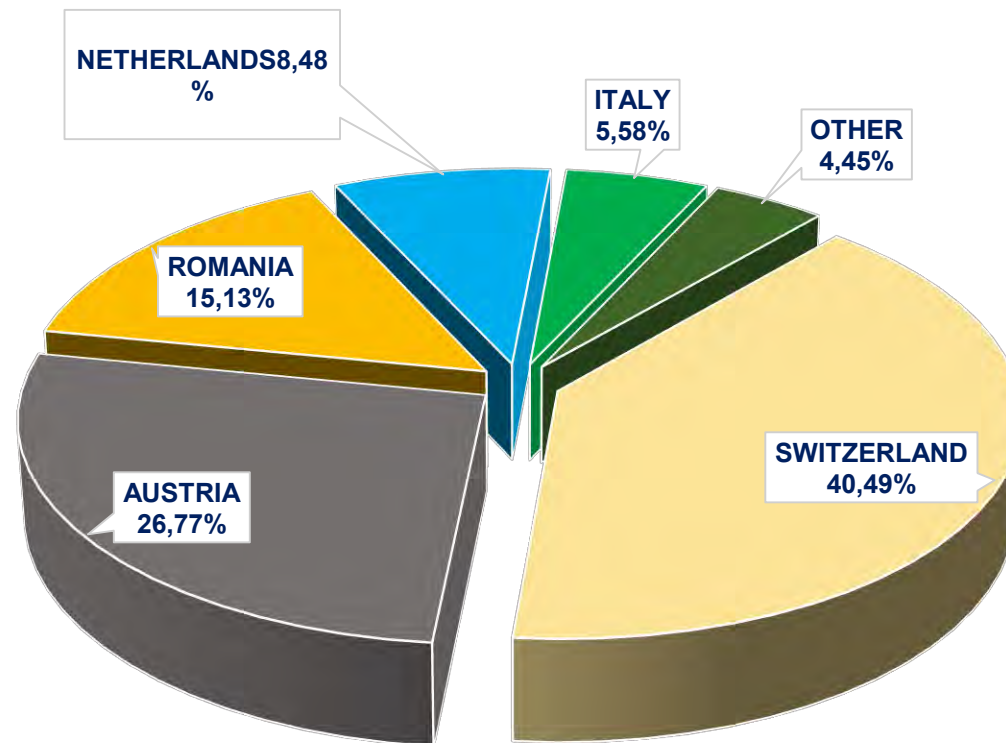


Foreign direct investments by regions





**THE EXPORT OF THE REPUBLIC OF
KAZAKHSTAN**



**THE EXPORT OF MANGYSTAU
REGION**

Priority sectors of development



Oil and gas
Oil field service



Transportation and
logistics



Construction



Agriculture



Tourism



Infrastructure and
the alternative energy



MANGYSTAU

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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



MAERSK OIL



Agip KCO

Investment projects in oil and gas sector

Implemented

«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



Implementing

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



MAERSK

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

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



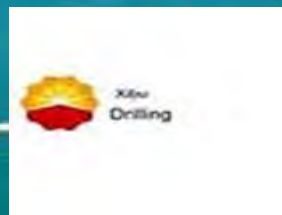
Investment projects in oil field service complex

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

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



«Kudu industries
Kazakhstan»
Canada
Production of
screw pumps



Implementing

"KEPPEL KAZAKHSTAN"
LLC
Production of steel
construction structures



«ERSAI»
Construction of metal
structures





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- 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.

Transportation and logistics complex

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)

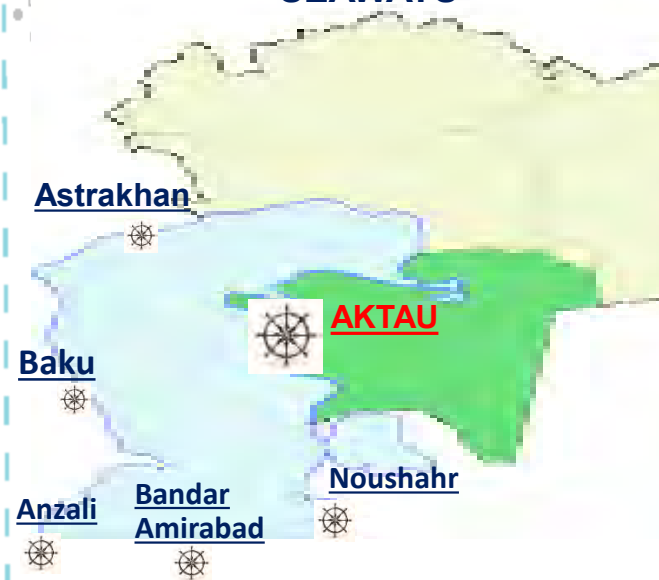
Aktau – Atyrau – Astrakhan

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.

HEIDELBERGCEMENT
KAZAKHSTAN

CASPI BITUM



HEIDELBERGCEMENT
KAZAKHSTAN

CASPI BITUM



Investment projects in construction sector

Implemented

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

«Каспий цемент»
LLC
Germany
Production of
cement

Implementing

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



"СП "Casp 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/m³)

Average tariffs	hot water	technical water
	289,51	232,23



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/m³)

Tariffs for gas

16,87



State support measures

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

Exemption from VAT
(for products consumed
in SEZ)

0 %

3. Other incentives:

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



MANGYSTAU
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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



MANGYSTAU
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