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Invest potential

Western Kazakhstan





Main facts

about the Republic of Kazakhstan

Territory: **2 724 000 km²**

Population: **18.8 million**

Official languages: **Kazakh, Russian**

Political System: **Presidential Republic**

Head of State: **President**

Currency: **tenge**

Capital: **Nur-Sultan**

Administrative division: **14 oblasts + 3 cities of republican significance**

Member of organizations: **UN, OSCE, WB, OIC, IMF**

West-Kazakhstan Oblast

West Kazakhstan oblast is located in the north-western part of the Republic of Kazakhstan.

The territory of the oblast is 151.3 thousand km² or 5.9% of the territory of the Republic.

The population as of December 1st, 2020 is 660,8 thousand people.

Location

and infrastructure

16 mln people

market within a radius of 500 km



10 days

delivery of goods from China by rail



5 hours

flight time from
most European cities



Airport

Oral (Uralsk) International airport
– the nearest Kazakhstan
airport to Europe



**West-Kazakhstan
Oblast (WKO)**

natural crossroads
for east-west and
north-south transit
corridors



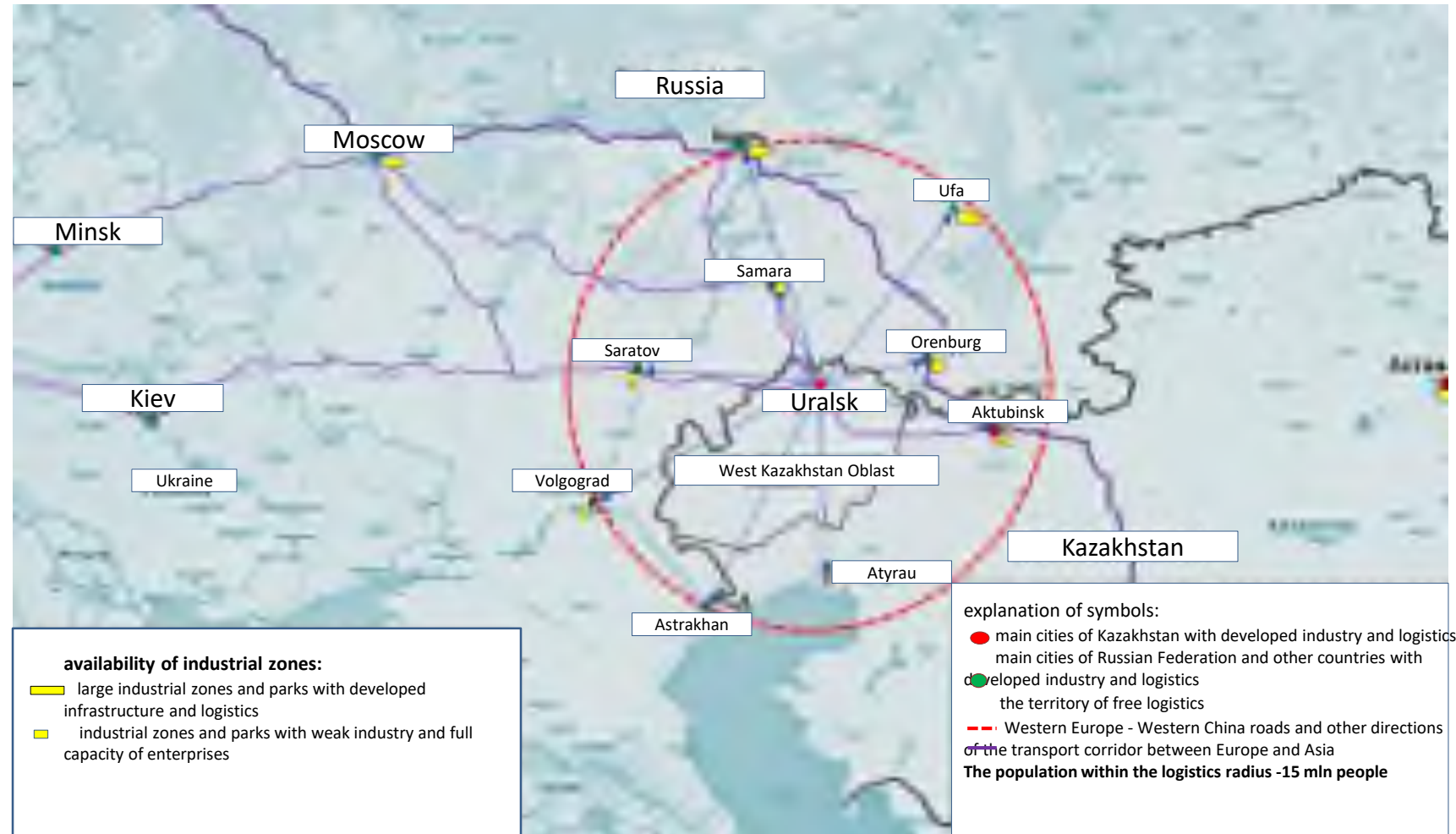
Transit potential

and infrastructure

4,5 bln tonnes/km
turnover of goods in 2020

41,2 mln
tons/km freight volume in
2020

Favorable location of the region in the free logistics zone of trade (up to 500 km)



Manufacturing potential

of West-Kazakhstan Oblast

1,39 trl. m³
Gas reserves

1,2 bln tons
Oil reserves
and gas
condensate

130,0 mln m³
Explored
cement raw
materials

36,538 mln m³
clay raw
materials

461,6 mln tons
Boron ore

1,005 mln tons
Gypsum

5,5 bln tons
Potassium salts

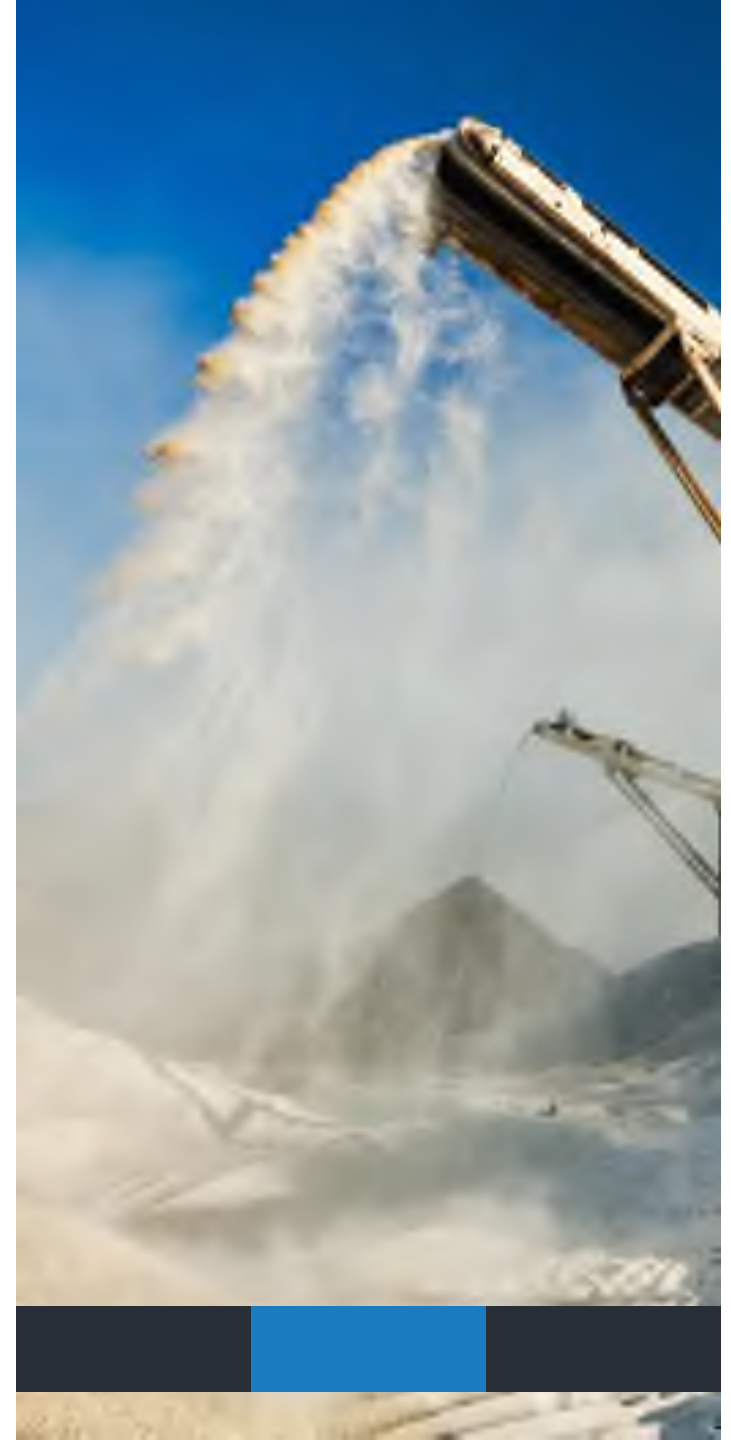
102,0 k m³
Sand and gravel

123,4 mln tons
Chalk

43,3 mln m³
Magnesium salts

55,6 mln m³
Brick clay

62,0 k m³
Building sand



Potential of an agro-industrial complex

of West-Kazakhstan Oblast



540k ha

arable land



5,5 mln ha

pastures



462 k ha

deposits



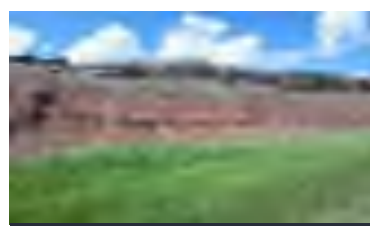
450 k ha

hayfields



2 k ha

perennial
plantings



55,0 k ha

other lands

4 mln ha

Land reserves

400 ha
perennial
plantings

534 k ha
deposits

491 k ha
hayfields

463 k ha
other lands

2,6 mln ha
pastures

Number and forecast of increase (by 2025) of livestock in the region

West-Kazakhstan Oblast



**660k/
874k**



**221k/
235k**



**1,5mln/
2 mln**



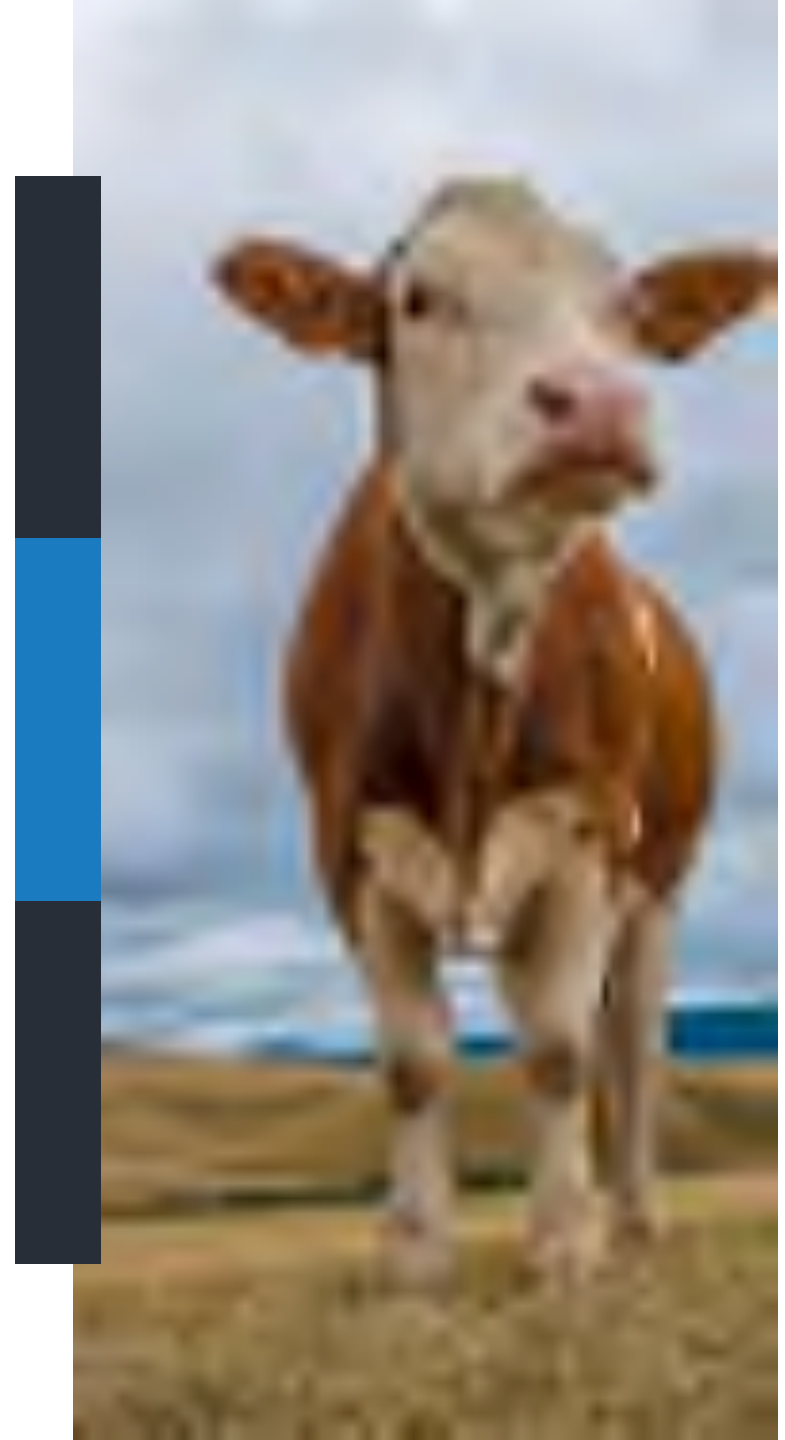
**1,3 mln/
1,4 mln**



**2,2k/
2,6k**



**13k/
25k**



Tariffs for legal entities

				
0,04 \$/m ³	0,64 \$/m ³	0,05 \$/kW	0,65 \$/m ³	4,27 \$/m ³
gas	water	electricity	water disposal	garbage removal

*1\$ =420.91 tenge
01.01.2021 г.

Presence of international oil and gas companies in the oblast



Oil and gas industry

Karachaganak oil and gas field

Produced in 2019:

18,7 bln m³ gas

**11,3 mln tons
oil and condensate**

Produced in 2020:

20,2 bln m³ gas

**12,1 mln tons
oil and condensate**

Stocks

1,2 bln tons

Oil, condensate

1,35 trl m³

Dry gas

Manufacturing industry

in 1,6 times

production growth over the past 3 years

from 16 900 to 20 400 \$/per capita

labor productivity growth over the past 3 years

Over 20 factories

in the engineering industry

2 shipbuilding plants

annual production capacity of ships with a displacement of up to 500 tons - 1,5 units

10 000 units

annual oil transformer production capacity of up to 2,5 MV/A

85 000 000

silicate bricks per year

500 special vehicles

annual production capacity of fire, special and agricultural machinery

Over 30

large and medium enterprises in the construction industry

5000 tons

annual production capacity of cast iron valves and valves for the oil and gas sector

45 000 tons

lime per year

3 000 units

annual production capacity of equipment for transportation and heating of oil, gas compressor and gas turbine stations

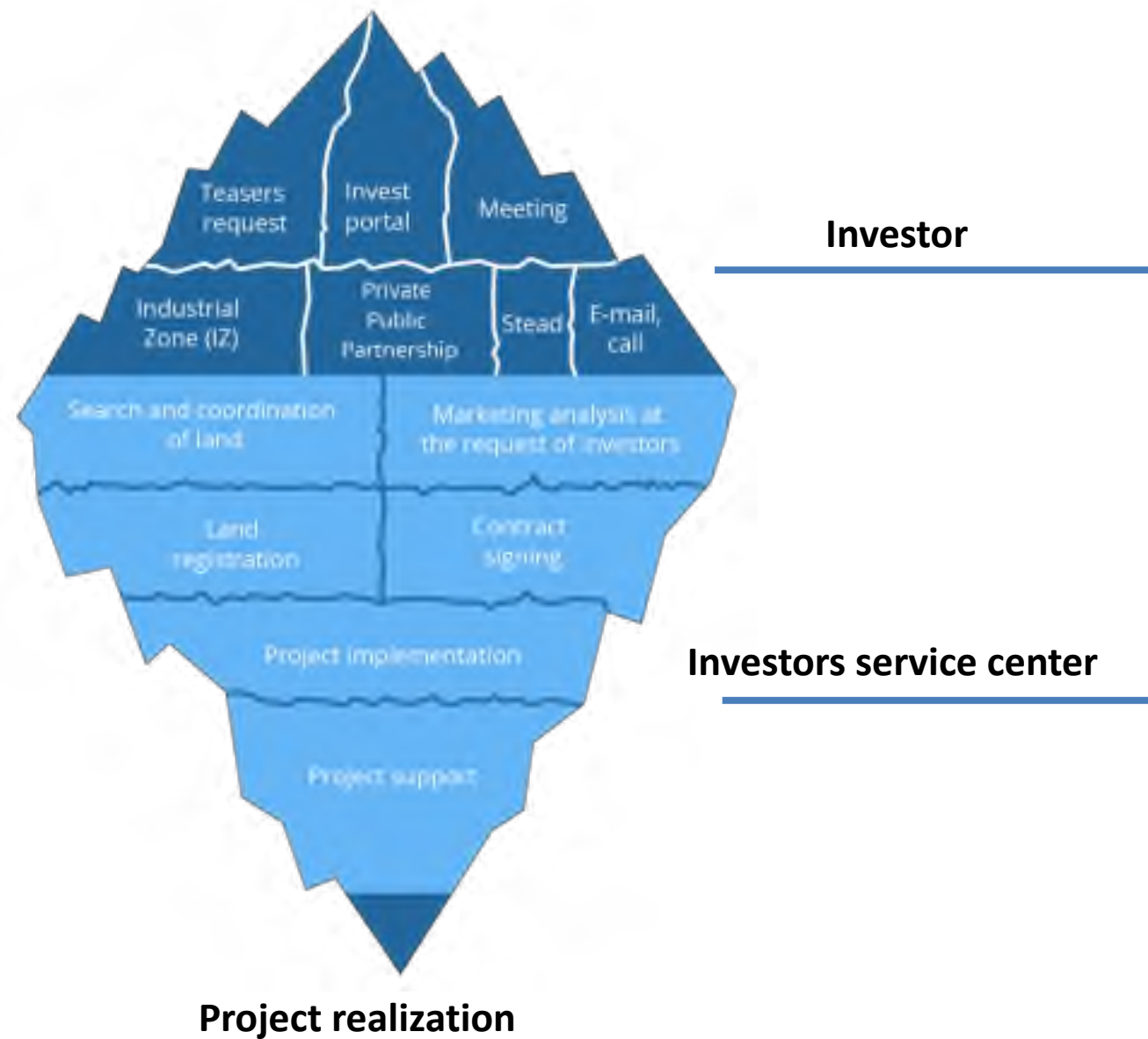
about 500 000 tons

concrete products per year

100 000 tons

expanded clay gravel per year

Investor support according to principle "Single window"



Investment portal

invest07.gov.kz

- ✓ Investment potential of the region
- ✓ Investor support
- ✓ Government support measures
- ✓ Supermarket for Business
- ✓ Geographic information portal
- ✓ Government for Business
“Aqjayiq Invest”



Created a Telegram-bot for government support measures



AOSPKAQJAIYQBOT
on state support measures launched



Government support measures

- 01 Provision of a land plot
- 02 Investment subsidies
- 03 Summing up the engineering infrastructure

- 04 Investment preferences
- 05 Soft loans
- 06 Export support

+ Full support of the Investor by the “single window” principle

Industrial Zone

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: construction of internal infrastructure, hangars and administrative buildings

Government:

Summing up the external infrastructure of the industrial zone (2021-2022);

The minimum term for the management company is **at least 20 years** with the possibility of extension;

Assistance in filling the Industrial zone;

Exemption of the management company from land tax and property tax – 100%;

Subsequent receipt of the status of a special economic zone (after filling Industrial Zone).

Offer for the Investor:

Industrial zone (IZ) status of the management company (with a state participation of up to 26%) with investment in internal infrastructure and leasing of land / finished premises.

Project description:

Organization of an industrial zone (IZ) with an area of 281 ha with the availability of all necessary infrastructure 15 km from Uralsk.



Resource	Capacity
Electric power	35 MW
Gas	20 000 m ³ /hour
Process water	500 m ³ /day
Drinking water	300 m ³ /day
Telephone communications	FOCL
Road support	2 adjoining the highway of republican significance
Railway support	1 rail junction

Connection term - 2022 (stage 1)

Industrial Zone

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Offer for the Investor (participant of the Industrial Zone):

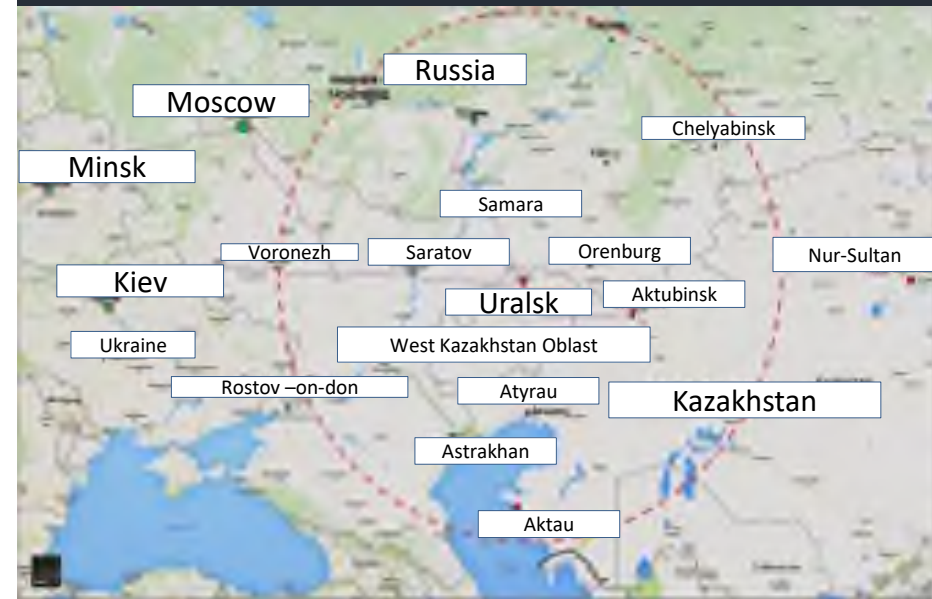
land plots with internal infrastructure.

Rent Charge: set by the Management company.

The criteria for the selection of projects of industrial zone:

- The volume of own and attracted investments in the project should be at least 200 million tenge per 1 hectare;

Connection term – 2022 (stage 1)



Advantages of the Industrial zone

- successful transport-logistics and geographical location of the zone, covering major cities of Russia and Kazakhstan with a developed industry and logistics with a population of more than 40 million people, including major oil and gas industry entities;
- the location is close to the international highway Ural'sk-Orenburg;
- close location to the airport;
- the railway provided;
- location near the city of Ural'sk (15 km);
- possibility of obtaining Free Zone status in the future.

Gas Chemical Complex

Initiator: Stock Company “Condensate”

Establishment of this project will provide:

- Accumulation of tax revenue - USD 100 million per year;
- Creation of over 600 permanent jobs (1,500 w.s. at the construction stage);
- Fuel gas supply to the population and enterprises of WKO at a lower rate;
- Contribution to the further development of the oil and gas chemical cluster in WKO;
- Beneficial influence on the social economic development of a single-industry town - Aksai, Burlinsky district.

Project financing:

- Private resources – 20 %;
- Strategic investors – 20 %;
- Portfolio investors – 20 %;
- Loan – 40 %.

Occupation period from the exploitation set up:

- basic – up to 7 years;
- discounted – up to 10 years.

Main indicators in the project’s boundaries:

- Processing of 3.8 billion nm³ of feed gas;
- Extraction of 1 billion nm³ ethane, propane butane and isobutane for the production of gas chemical products.
- Obtaining of 1 billion nm³ fuel gas for needs of the region.

Production:

- Polyethylene LPG;
- Polypropylene;
- Ethylene glycol is the most valuable raw material for the production of synthetic threads in the light industry;
- High-quality additives to motor oils ETBE, isomerate C5 + / alkylate);
- High quality automotive propane.

Sales market:

- Domestic market – 35%;
- Export to China, EU, India and CIS – 65 %.

Current situation:

- Feasibility study and start of design and estimate documentation are under process
- Negotiation conversations were held with one of the investors, CITIC Construction Co.



Project cost:

\$1,8 bln

Project implementation period :

4-5 years

Mineral resources

Initiator: Akimat of West-Kazakhstan Oblast

Project description:

common minerals extracted from free deposits can be widely used by enterprises in the production of bricks and other building materials.

Prerequisites for project implementation:

lack of local construction materials in the region; the possibility of selling the final product for the market of Atyrau, Aktobe and Mangistau regions.

Production process:

Opencast mining

Project financing:

The investor's own participation – 100 %.

Free mineral deposits:

Clay raw materials (brick raw materials) – 34 pc.
Reserves – 25006, 0 thousand m³

Sand and gravel mix – 1 pc.
Reserves 102.0 thousand m³

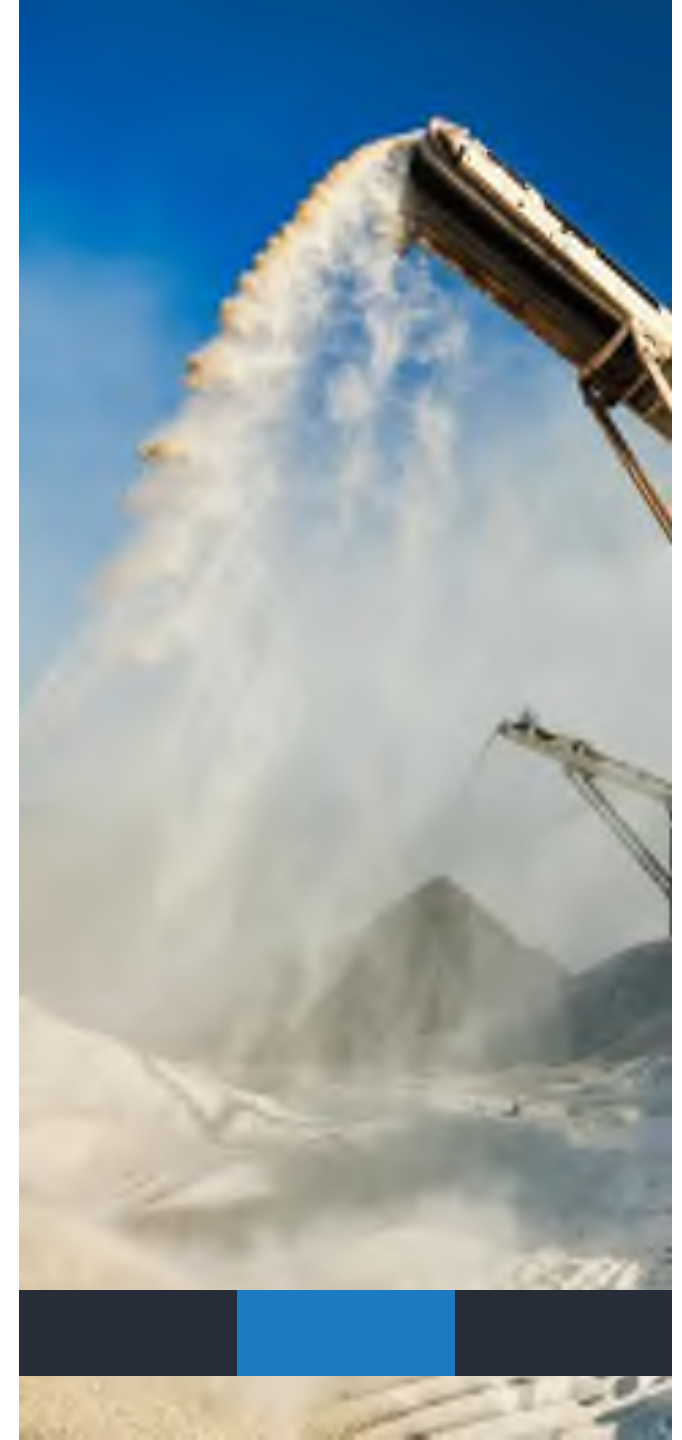
Chalk – 2 pc.
Reserves – 123.4 thousand m³

Construction sand – 1 pc.
Reserves – 62.0 thousand m³

Expanded clay raw materials – 1 pc. Reserves
– 36,538.0 thousand m³

Gypsum – 1 pc.
Reserves – 1005.0 thousand m³

Sales market: domestic market of the Republic of Kazakhstan; export to the markets of China and the CIS.



Cement Plant Construction

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: the possibility of summing up external infrastructure.

Initiator: subsoil use right.

Investor: cash in the construction of the plant.

Prerequisites for implementation:

- The lack of cement production in West Kazakhstan region and in neighboring regions (Atyrau and Aktobe);
- The annual demand of the Western oblasts is about 3 mln tons.

Type of investment required:

direct investment.

Market: Kazakhstan, Russia.

Planned production: cement.

Advantages:

- There is a deposit of cement raw materials (chalk) and clay raw materials (clay) (proven reserves of chalk are 100 mln tons, clay - 30 mln tons.).
- The deposits are located on the territory of the Taskala region in 30 km from Uralsk.



Construction of a brick factory in Aksay

Initiator: “Aksai-Kirpish” LLP

Project participants:

Initiator: subsoil use right.

Investor: cash in the construction of the plant.

Prerequisites for implementation:

- Lack of a brick manufacturer in the region (the closest manufacturers in Aktobe and Kokshetau);
- The volume of consumption in WKO - 40 mln pieces of bricks per year;
- Construction of a new district “Aqjayiq” in Uralsk for 2.8 mln sq.m. living space in the next 20 years.

Type of investment required:

direct investment;

Obtaining a majority stake in the company (% is being discussed).

Market:

Kazakhstan, Russia.

Planned for release products:

Ceramic and facing bricks (15 mln pieces per year.)

Current status of the project:

- exploration work was carried out to find raw materials, a subsurface use contract was signed for a period of 20 years (17 ha of a quarry site);
- All permits and specifications for the connection of electricity, gas and water have been received;
- Received land for the construction of the plant an area of 2.0 ha.

Required Investment Amount:

3 bln tenge

(\$ 7,7mln)



The amount of investment can be reduced by using other equipment, a construction project, etc.

Dairy farm

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: financing the construction of the farm.

Project: Construction of a dairy farm with modern high-tech equipment with a capacity of up to 1,500 head of dairy (dairy and meat) cattle with milk production.

Production capacity: 30 tons of milk/day

State:

- Reimbursement of investment costs up to 25%;
- Subsidizing milk production from 20 to 45 tenge / kg, depending on the capacity of the MTF;
- Subsidizing the purchase of breeding stock from 200 to 400 thousand tenge/head, depending on the country of purchase;
- Subsidizing the purchase of seed of breeding bulls from 5 to 10 thousand tenge per dose;
- Reduction in the cost of embryos 80 thousand tenge per 1 unit;
- Subsidizing the cost of artificial insemination services – 5 thousand tenge/head;

- Exemption from customs duties (0% for 5 years on imports);
- Tax benefits (VAT on imports of raw materials and equipment 0%);
- In-kind grants, infrastructure development.

Type of investment required: 3,9 mlrd tenge

NPV of project 1,3 mlrd tenge

IRR of project 10,39%

Average payback period: 7 years

Market:

Dependence of the region on imports of milk and dairy products (80%);

Milk and cream imports amounted 1530.7 tons in 2019;

The processing enterprises of the region satisfy the population's demand with dairy products up to 20%, the missing volume is imported from the neighboring regions of the republic, the Russian Federation and Belarus. **Prerequisites for implementation:**

- Transit and logistics potential (daily availability to the cities of millions of people in the Russian Federation, Atyrau and Aktau (oil region), where there is no industrial production of milk);
- Free land plots and reservoirs for organizing feed production for Milk processing factory.



Planned for release products:
drinking milk, cheeses, cottage cheese,
yogurts, kefir, etc.

Milk processing factory

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: financing the construction of the plant.

Prerequisites for implementation:

- The region annually produces 230 thousand tons of milk;
- The milk produced is mainly used for domestic consumption;
- The annual volume of processed milk is about 10 thousand tons, (about - 4% of milk production);
- The processing enterprises of the region satisfy the population's demand with dairy products up to 20%, the missing volume is imported from the neighboring regions of the republic, the Russian Federation and Belarus.

Type of investment required: direct investment.

Average payback period: 7 years

Market: Kazakhstan, Russia

Planned for release products:

Drinking milk, cheeses, cottage cheese, yogurts, kefir, etc.

Benefits:

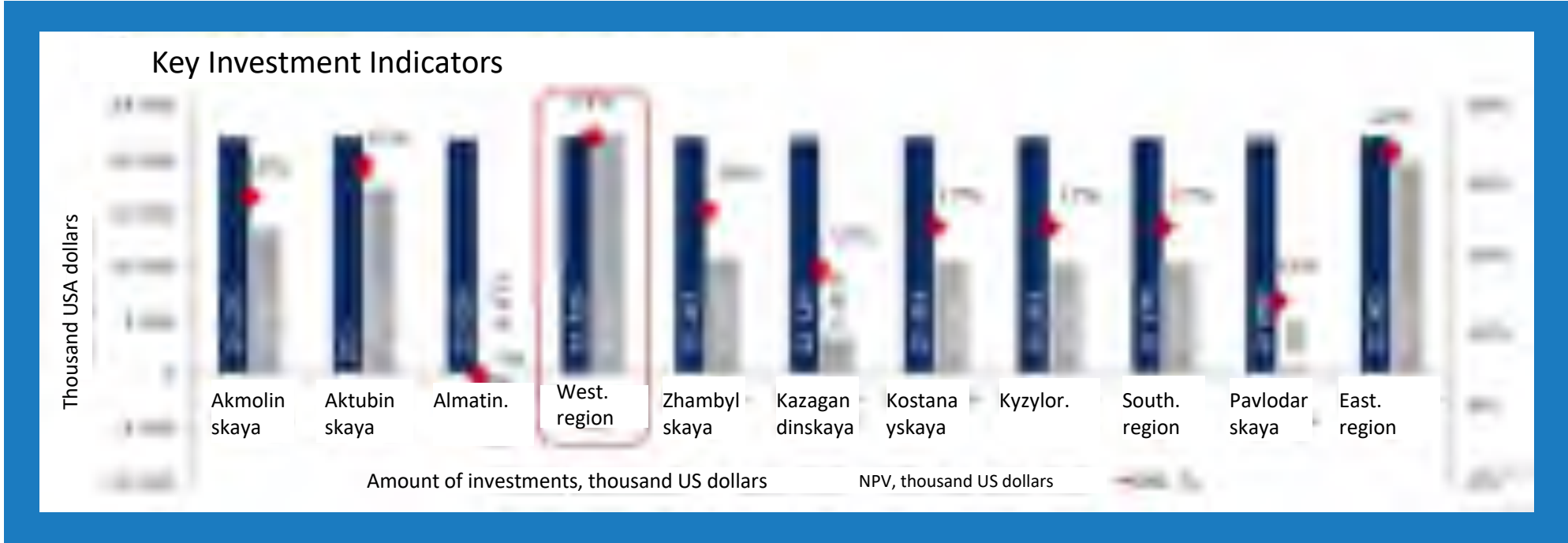
- According to the norms, annual milk consumption and dairy products in the region is more than 60 million liters/year;
- The absence of a milk processing plant in the Atyrau region (500 km) with a population of 600 thousand people



Milk processing factory

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Deloitte Analysis Results



Feedlot construction

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land plot incl. under irrigated fields and fattening. platforms;

Investor: construction of a feedlot, purchase of cattle;

Project: construction of a feedlot for cattle for 5 thousand heads

Production capacity: 1 thousand tons of meat per year

State: Reimbursement of investment costs for construction up to 25%;

Subsidizing the purchase of breeding bulls-producers 150 thousand tenge/head;

In order to ensure the workload of farms, subsidies are paid for the delivery of bull calves (from 7 to 18 months with a live weight of 200 kg) 200 tenge per 1 kg of live weight;

Exemption from customs duties (0% for 5 years on imports);

Tax benefits (VAT on imports of raw materials and equipment 0%);

In-kind grants;

Infrastructure implementation.

Type of investment required: 1,3 mlrd tenge

NPV of project 266 mlrd tenge

IRR of project 14,5%

Average payback period: 4,5 years

Market:

The average purchase price of the meat processing enterprise of cattle meat is 1500 tenge, small cattle - 1335 tenge, horse meat - 1375 tenge.

The number of cattle in the region is 660 thousand heads;

Sources of investor income:

- WKO is traditionally a livestock region of the meat direction and the birthplace of the Kazakh white-headed meat breed;
- The region is a leader in breed transformation of cattle (breed transformation is an improvement in the meat characteristics of livestock, which implies a higher gain during fattening at the same feed costs);
- Strong scientific and breeding base (West Kazakhstan Agrarian and Technical University named Zhangir Khan);
- Fattening and sale of meat in the markets of Kazakhstan and the Russian Federation;
- Processing and marketing of secondary products of the enterprise (blood, hides, offal);
- The presence in the region of a large consumer LLP "Kublei" (meat processing complex). It has the opportunity to buy 50 thousand heads of cattle per year and process 10 thousand tons of meat per year.
- The possibility of providing free irrigated agricultural land;



Production of feed for farm animals

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land;

Investor: cash, new technologies.

Type of investment required:

direct investment.

Market:

Organization of production (cultivation and processing) of feed for feedlots (12 facilities), MTF (17 facilities) and for export to China, Russia, UAE.

Planned production:

agricultural forage crops:
sudanka, alfalfa, wheat grass, clover
(50,000 tons of feed per year).

Benefits:

- a great need for agricultural feed in the region and the country;
- 8265 agricultural organizations are registered in the region, ;
- availability of irrigated agricultural land;
- reimbursement of investment costs for the creation and expansion of irrigation systems and drip irrigation up to 50%;
- reimbursement of investment costs for the creation of a feed mill up to 25%.

For the possibility of obtaining a land plot, a joint venture with the participation of SEC can be created.



Creation of irrigated fields and leasing to farmers

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land

Investor: financing

Project:

Creation of irrigated fields for fodder production and vegetable production.

Production capacity: 1000 ha per year for irrigation

State:

Reimbursement of investment costs for the creation and expansion of irrigation systems and drip irrigation up to 50%;

Investment preferences, infrastructure development;

Provision of land plots.

Type of investment required: 272 mln tenge

NPV of project 134 mln tenge

IRR of project 30,2%

Average payback period: 5 years

Market:

Organization of production (cultivation and processing) of feed for feedlots (12 facilities), MTF (17 facilities) and for export to China, Russia, UAE, Iran.

In 2019, the specified sown area of agricultural crops in the region was 182.7 thousand hectares, potatoes – 4.1 thousand hectares, vegetable and melon crops – 5.5 thousand hectares.

Prerequisites for implementation:

- Great need for irrigated fields. In the region, 8265 agricultural organizations are registered;
- Juicy feed is given to a cow at the rate of 6-8 kg per 100 kg of its live weight;



Agricultural forage crops: sudanka, alfalfa, wheat grass, clover;

Greenhouse complexes

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: cash, technology, specialists.

Project:

construction of a high-tech greenhouse of the latest generation on 10 hectares.

Production capacity: 6 thousand tons of vegetables per year

State:

Reimbursement of investment costs for construction up to 25%;

Investment preferences, infrastructure development;

Type of investment required:

8 mlrd tenge

NPV of project 531,2 mlrd tenge

IRR of project 24,2%

Average payback period: 6,7 years

Market:

Imports of fresh and chilled tomatoes 5.1 tons (2019);

Imports of cucumbers 11.9 tons (2019);

Imports of carrots and turnips 137.5 tons (2019).

Prerequisites for implementation:

- Transit and logistics potential (daily availability to the cities of millions of people in the Russian Federation), Atyrau and Aktau (oil region);
- The presence of natural gas (cost 17.87 tg /m³);
- In the case of the construction of a gas piston power plant the cost, the cost of electricity will be estimated at 6 tg/kW.
- The presence of a local company, ready to make double-glazed windows of appropriate quality and cost;
- Proposed sites:

The area of the village of Beles, Baiterek district of WKO - 116 ha;

The area of the village of Kolovertnoye, Aqjaiyq district, WKO - 100 ha;

The area of the village of Birlik of the Taskalinsky district of WKO - 80 ha;

The area of the village of Chapaev, Aqjaiyq district of WKO - 75 ha.



Wholesale prices for cucumbers and tomatoes in the Moscow region are 300 -350 tenge

Wind farm

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: construction of a power plant.

Preconditions for implementation:

- Good wind potential of the region of 7.5 m / s (Wind Atlas of Kazakhstan);

Marginal tariff for 2020:

21.69 tenge / kWh (indexed annually).

Project implementation mechanism:

- Ministry of Energy determines capacity and reserves a place for accommodation;
- According to the results of drop auction, prices and volumes of selected capacity are determined;
- The winner submits an application and concludes an agreement with the RFC* for a period of 15 years;
- An investor must build a wind farm within 3 years.

State support measures:

- Exemption from payment for services of electric grid organizations for the transmission of electricity;
- Priority scheduling of electricity;
- Investment preferences within the framework of an Investment contract.

Depending on the degree of localization, there is a premium to the auction price:

- 50% localization and more - 20% extra charge;
- from 30% to 50% - 10% allowance;
- from 20% to 30% - 5% premium.



Electricity provision of Zhanibek and Bokeiorda district of WKO

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Place of implementation:

Bokeiorda and Zhanybek district.

Project participants:

State: land plot, electricity and gas connection;

Investor: financing the construction of Gas Turbine station

Preconditions for the implementation of:

Dependence of districts on electric energy supplies from the Russian Federation, the cost of purchased electricity from the Russian Federation is 24 tenge.

The demand of 2 districts is about 3.8 MW.

The remaining energy is sold to other areas.

Basic equipment for investment:

Gas turbine station-with a capacity of 5 MW;

Compressor unit – it is necessary to increase the pressure from 0.55 MPa to 2.5 MPa.

Electricity consumption in 2019:

Zhanibek district – 13,028 MW

Bokeiorda district – 13 168 MW

Electricity consumption in 2020 (January-September):

Zhanibek district – 9,993 MW

Bokeiorda district – 8 838 MW

Cost of electricity: about 8 Tenge/1 kWh (changes annually)

Investment amount: 2.5 – 3 billion tenge.

Connection points:

for gas: Automated gas distribution stations "Kairat",
Automated gas distribution stations "Muratsay"

For electricity: 110/35/10 kV "Zhanibek"

35-10kV "Zhaskairat»

Gas demand:

for a 5 MW plant – 3.4 million m³ of gas.

Estimated cost of electricity at the output:

15 tenge – 1 kWh.



Class A warehouse construction

Initiator: Ural Commercial and Industrial Company, LLP

Project participants:

Initiator: land plot of 1 ha, customer base
Investor: financing of construction and equipment purchase.

Prerequisites for implementation:

- Lack of large Transport Logistic Center (TLC) in the region;
- Shortage of high-class storage facilities inside the city;
- Ready land for construction;
- The Initiator has preliminary agreements with potential customers.

Estimated cost:

800 mln tenge (\$ 2.1 mln);
The majority share in the company;
Terms will be discussed.

Room area:

3 thousand m²

Project implementation mechanism:

the construction of storage facilities with the transfer of existing power lines.

Type of investment required:

loan / leasing / investment

Sources of Investor Income:

Warehouse Leasing.



Roadside service facilities

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Place of implementation:

West Kazakhstan region.

Project participants:

State: land plot;

JSC "NC "Kazavtozhol": paved area for recreation and car parking, ready-made POI;

Investor: construction of a national standard A,B camping.

Prerequisites for implementation:

- Completion of road construction in the Saratov region opens a new transport corridor;
- A potential investor saves about 100 million tenge at the expense of ready-made 22 recreation areas;
- Annual increase in traffic flow;
- In the region there are only 1 cafe and 4 campsites corresponding to the national standard of the service object ST RK 2476-2014.

Passenger traffic per day:

on the Samara-Shymkent roads - 2371 cars;

Uralsk-Orenburg - 4685 cars;

Uralsk-Saratov - 3257 cars;

Uralsk-Atyrau - 4714 cars.

Investment amount:

category A/B from 700 million tenge.

Project implementation plan:

- The investor selects recreation areas and requests a land plot located along this site;
- The investor builds the site in accordance with the national standard ST RK 2476-2014.



Small industrial zones

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Participation of JSC "SEC "AQJAIYQ":

Land plot;
Filling the Small Industrial Zone.

Investor participation:

construction of hangars;
summing up the infrastructure.

Project implementation mechanism:

leasing a land plot to an investor under a joint venture agreement with JSC "SEC "AQJAIYQ" for the organization of a Small Industrial Zone (subsequent purchase of the plot is possible).

Profitability for the investor:

making a profit from renting out ready-Made production facilities;
The rental price is up to 1000 tenge per 1 sq. m.
the Cost of building a insulated hangar for 1 thousand sq. m. is 45 million tenge.

Offer for the Investor:

1. The Investor is offered to build on the entire area of the land plot of hangars with an area of 500 to 1000 square meters.m for renting out production space;
2. The investor is provided with a land plot. First of all, the Investor builds hangars on 1/3 of the land plot, and implements his project on the remaining 2\3.

Advantages:

- The cost of building a small industrial zone is comparable to buying a land plot at an auction in the city.
- All sites are located close to residential areas, which is an advantage for a potential employer;
- Land plots are located within the city limits. Bus routes run near the plots.
- Availability of electricity, gas, water, and paved roads in the immediate vicinity.
- The ability to launch your own project in the city and additional passive income.



Land plots:

Derkul village- 2 land plots 3 ha

Infrastructure:

100-300 m

Construction of a recreation area

Area: 3.8 ha.

The map shows:

Old hotel place 80 * 16 m;

Landing of the building 90 * 16 m;

The territory for the improvement of the recreation area.

Market value:

128.3 mln tenge
(preliminary)

Appointment:

construction of a hotel, recreation center, sanatorium.

Project implementation mechanism:

Sale of a land plot to investor under a joint venture agreement with JSC "SEC "AQJAIYQ" for the implementation of projects on the territory of this land plot.

Benefits:

- The land is located in the territory of the Samal microdistrict - the most prestigious and ecologically clean area of the city;
- The presence of electricity, gas, water, asphalt road nearby;
- It is possible to consider the creation of a joint venture with the participation of the SEC (minority share) for non-residents of Kazakhstan,



It is forbidden to build a building higher than 3 floors.

Distance from Chagan river to building 1 (on the map) 21 meters.

Construction of a recreation area



The distance from the river Chagan to the building #1 on the map is 21 meters.

It is forbidden to build a building above 3 floors.

Construction of a recreation center on lake Shalkar

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Place of implementation

Terektinsky district, Saryomir

Project participant:

State: 0.5ha land plot, investment preferences

Investor: construction and maintenance of recreation centers

Proposed structure of the object:

Hotel;

Beach;

Outdoor bathrooms

Mud clinic

Health resort

Location:

Paved road

75 km from Uralsk

312 km from the city of Samara

The amount of investment: cost of land

Preconditions for the implementation of:

- Lack of comfortable recreation centers on the lake shore;
- Water composition close to sea water;
- The presence of therapeutic mud makes it possible to organize both beach holidays and Spa treatment;
- Proximity of gas and electricity connection points (1-2 km);
- The lake is known as a tourist destination among the population of the West Kazakhstan region, neighboring regions of the Republic of Kazakhstan and the Russian Federation;
- The attractiveness of the place for residents of the Russian Federation due to the lower cost of recreation.



Private school

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: external infrastructure, land, state order

Investor: building and further management of the school

Prerequisites for implementation:

- Per capita financing of secondary education;
- The need for schools in Uralsk.

Estimated cost:

The project's power and its cost are determined by the investor.

Project implementation mechanism:

The investor is building a school with the subsequent receipt of a state order in the form of per capita financing:

Return of CAPEX - 96 MCI (for 2021 - 280 032 tg / child / year) for 8 years upon, but no more than the design capacity.

*Return OPEX - 93 MCI (for 2021 - 271 281 tg / child / year * upon completion and for the entire duration of the school.*

The number of students can be increased due to the 2nd shift by an average of 1.5 times.

The school remains in the ownership of the investor without changing status for 20 years.

Sources of investor income:

State funding, paid additional services, optimization of school operating expenses.

** Increase in funding rate due to higher teacher salaries is expected*



Modernization of the municipal solid-waste management system (MSW) in Aksay

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land (new landfill), a multi-year contract for garbage collection in the city;

Investor: cash, technology, know-how specialists.

Prerequisites for implementation:

For today, the existing landfill is 99% full.

Type of investment required:

direct investment.

Project implementation mechanism:

- The possibility of obtaining a long-term lease of land (landfill) from the state.
- Further implementation of the project: construction of industrial buildings, purchase and installation of equipment, start of production.

From Investor:

- construction of buildings and structures, infrastructure, acquisition and installation of equipment.
- commissioning and start-up of production.
- sorting and disposal of solid waste.

Investor Income Sources:

Services for the collection and processing of solid household waste from the population and business.

The population of 35 thousand people.

The tariff:

for individuals is 212 tenge per person, for legal entities - 1700 tenge cubic meters.

- The presence of large enterprises in the region. Opportunity to receive a long-term contract for waste disposal.
- Production and sale of recyclables. Ban on the export of paper, cardboard, waste paper and waste from the Republic of Kazakhstan



Licorice root processing

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land Investor: paying debts to creditors, launching an enterprise;
Owner: Licorice Kazakhstan, LLP.

Project description:

production of licorice root and products of its processing, there is an agricultural sector (collection and cultivation of licorice root) and a production sector (extract).

Type of necessary investments:

acquisition of an enterprise by paying off debts (\$ 2 mln) to DBK Leasing JSC and JSC "SEC "AQJAIYQ". The share is 91%.

Production capacity:

250 tons/year of finished products.

Planned production:

licorice root extract with a moisture content of not more than 38% for the food industry, and a moisture content of not more than 28% for the pharmaceutical industry.

Current status:

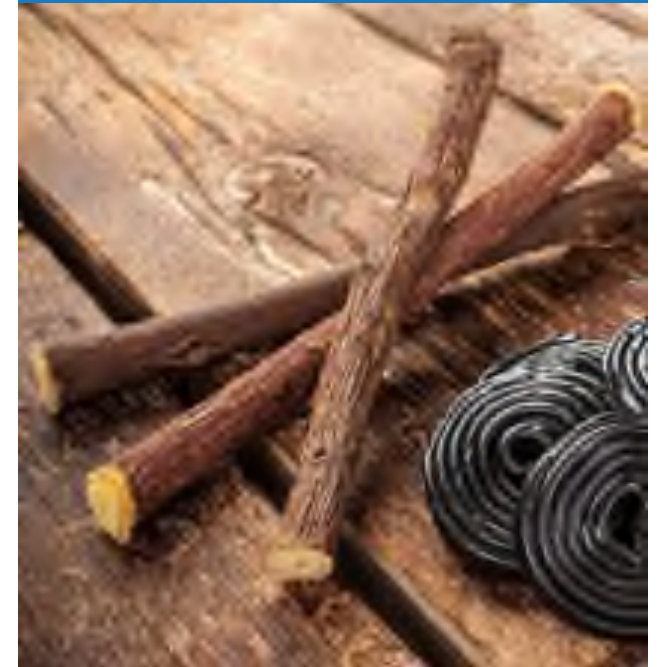
production is idle due to the lack of working capital and does not have the ability to repay leasing debt. Earlier, an agreement was signed for the supply of goods with the company MAFCOUSA USA.

Company assets:

- Land: 650 ha;
- Agricultural machinery;
- Manipulator, tractor;

Market value of assets:

100 mln tenge.



According to experts, the capacity of the global market for licorice root products per year is 8,000 tons (in the form of an extract), and 14,000 tons (in the form of a dry powder).

Meat processing complex

Initiators: Batys Marka Lamb, LLP, KazAgro NMH JSC

Project participants:

Initiator: sale of the enterprise

Investor: investing in an idle company.

Project description:

Launch of an enterprise for the production of block meat of lambs up to 1 year old, and largesized slices in vacuum packaging in a full cycle from slaughtering livestock to primary processing of offal and storage of products.

The current status of the project:

the company is idle due to a lack of working capital and the formation of debt.

Project cost: 2.6 bln tenge (\$ 6.8 mln), where 1.6 bln tenge (\$ 4.2 mln) is for equipment.

Capacity: 1,400 heads per day (20,000 tons of meat per year)

The mechanism of the project:

it is necessary to buy an idle meat factory from JSC "NMA "KazAgro".

Sources of raw materials:

peasant farms, personal farmsteads.

Market: Russia, Uzbekistan, Iran, Azerbaijan.

Advantages:

- The land fund of the enterprise is 4 hectares;
- The area of the enterprise is - 8,400 m²;
- The company is fully equipped with infrastructure

Cost of the projects:

2,6 bln tenge

(\$ 6.8 mln), where 1.6 bln tenge (\$ 4.2 mln) - equipment.



Industrial base

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

Initiator: sale of the production base (total area of 0.96 ha);

Investor: acquisition of a base for the organization of new production.

Current state of the project:

- The production base is idle due to the lack of working capital for the owner;
- There is an administrative building with a procurement workshop on the territory
- Production building with an area of 1.6 thousand sq m.
- It is possible to attach an additional hangar on the land plot of 0.3 ha.

- There are accounts payable to International finance corporation JSC - 137 mln tenge
- The total cost of the complex is 202 mln tenge (discussed)

Benefits:

- There is a finished workshop.
- Favorable location in the city center.
- The presence of all the necessary infrastructure.
- It is possible to reformat a sports facility (there are recesses for the pool)

Total cost of the project: **202 mln tenge**



The creation of the modern interregional health cluster

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

1. Akimat of Uralsk:

- provision of the object (land plot, infrastructure to the buildings of the object, buildings of the object in rough finishing, etc.) for long-term (up to 30 years) trust management on preferential terms, including Public private partnership;
- payment for part of medical services (if requested by the Trustee). The Akimat of the city of Uralsk has a need to place a health clinic, a pathology Bureau, a blood center, an AIDS center, a hostel for doctors and others in this object.

2. Investor:

- investment in internal infrastructure (wiring inside buildings according to the investor's requirements);
- investment in equipment (at the investor's choice);
- providing medical services at a high international level (medical tourism);
- object management (content).

3. Compulsory medical insurance Fund:

- Guarantees payment for medical services (for more information, see the website www.fms.kz)

Sketch of the constructed object



The creation of the modern interregional health cluster

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

The current status of the proposed facility:

The land area is 11.7 hectares.

It is located within the new Aqjaiyq microdistrict under construction in Uralsk (320 thousand people), the regional center of the West Kazakhstan region (656 thousand people).

All buildings are built. Infrastructure is supplied to each building without internal wiring.

The property is fenced with a 6-meter high fence. The total usable area of the premises is 265652 m².



Benefits:

- the region borders 5 Russian regions and 2 Kazakh regions;
- about 16 million people live within a radius of 500 km, and Moscow is 1,200 km away;
- Uralsk is considered one of the most environmentally friendly cities in Kazakhstan;
- a new international airport terminal is being built;
- there is a high demand for high-quality medical services for problematic diseases – oncology, cardiovascular diseases, medical rehabilitation, etc.



Name of medical institutions:

1. Cardiology 3 buildings – 9753 m²;
2. Polyclinic and hospital for law enforcement agencies and military – 3237 m²;
3. Clinic for 750 visits 2 buildings – 6016 m²;
4. Infectious diseases hospital 2 buildings – 6149 m²;
5. Regional AIDS center – 849 m²;
6. The dermatovenerologic dispensary – 1837 m²;
7. Pathology office – 1826 m²;
8. Organizational structure health Department of WKO - 2000 m²;
9. A dormitory for the staff – 2160 m²;

The historical and tourist centre "ancient city Jaiyq"

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

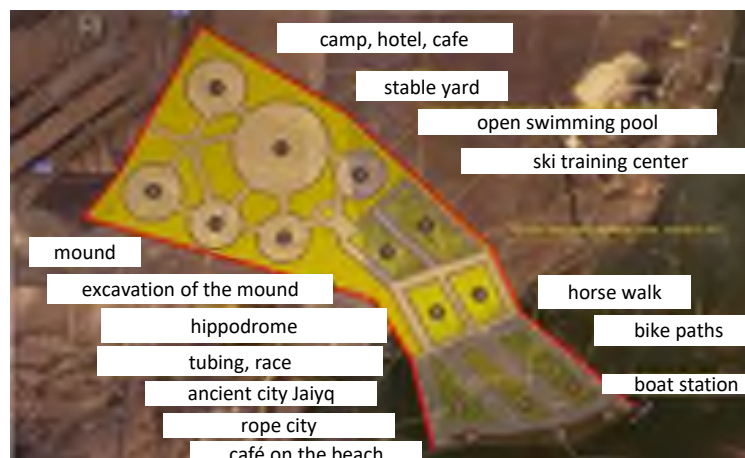
state: construction of an open-air museum - "Jaiyq", reconstruction of mausoleums, allocation of land, the possibility of summing up external infrastructure;
investor: investment in the construction of a racetrack, a hotel complex, a ski training station, an archaeological campsite.

Prerequisites for implementation:

- historical significance of the Uralsk circle during the reign of Altyn Orda;
- development of a tourist hub;
- the region is rich in museums and historical events;
- the population of WKO is 659 thousand people.

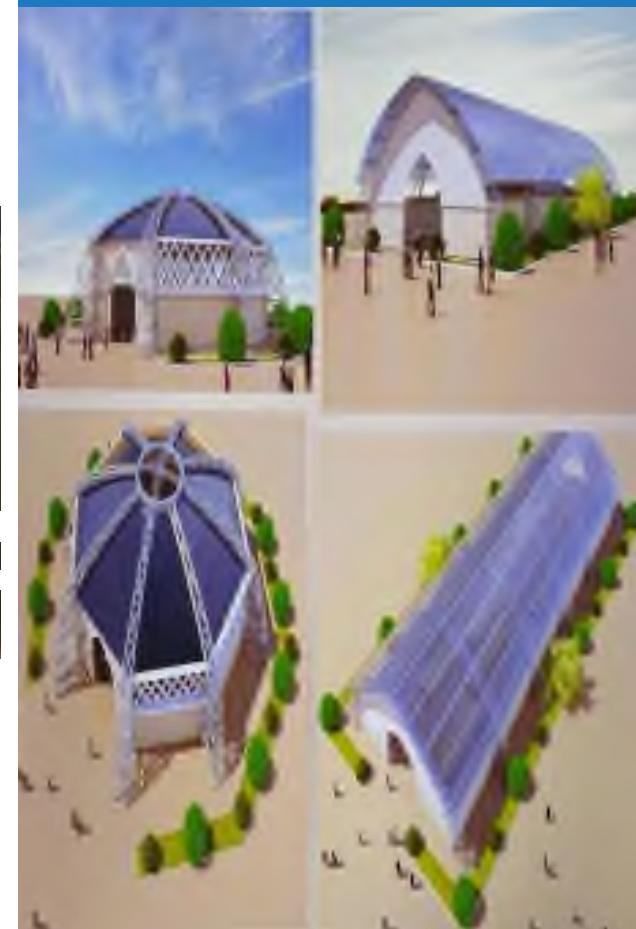
Benefits:

- population within a radius of 500 km - 16 million people;
- excellent location for development;
- historical and tourist multi-complex, archaeological camping;
- heavy transport hub.



Location of "ancient city Jaiyq":

- Distance from Uralsk 10 km;
- The area of the territory is 300 ha, the settlement is 8 ha;
- The length of the perimeter is 10 km;
- The territory is located in two zones - the city itself is located on the Bank of the former riverbed and the necropolis, located on Svistun mountain.



Methane production and construction of automobile gas-filling compressor stations (AGFCs)

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

akimat: allocation of land, possibility of building external infrastructure;

investor: investment in the construction of AGFC stations.

Prerequisites for implementation:

- decree of the government of the Republic of Kazakhstan on expanding the use of natural gas as a motor fuel for 2019-2020, it is planned to increase the transition of the buses and special equipment to compressed natural gas;
- Akimat is planning to purchase 100 buses for compressed natural gas.

Benefits:

the lack of AGFC filling stations for buses and heavy vehicles;

Investment amount:

350 - 500 mln tenge

Average payback period:

6,5 years

Location of AGFC stations:

Uralsk city – 3 units

Aksay city – 2 units

Cost:

Diesel fuel – 180 tenge

Winter diesel fuel – 220 tenge



Fish Farm

Initiator: JSC "SEC "AQJAIYQ" Akimat of West-Kazakhstan Oblast

Project participants:

State: land, external infrastructure.

Investor: financing

Prerequisites for implementation:

- fish consumption in Kazakhstan is 4 kg of fish per 1 person (World Health Organization recommendation - 16 kg);
- steady growth in fish consumption in Kazakhstan (10-15% per year);
- the market volume of fish products in Kazakhstan – 66 thousand tons;
- import to Kazakhstan - 43 thousand tons;
- the volume of products (services) in fishing and aquaculture in the West Kazakhstan region – 108,096. 6 thousand tenge;
- export of frozen fish of the West Kazakhstan region – 1,450 tons.

Subsidy:

- the share of reimbursement of investment costs for the purchase of equipment and equipment for the lake-commercial fish farm (area of at least 50 ha) - 25%
- the share of recovery of investment costs in the creation and expansion of fish farms (growing from 20 tons of commercial fish) - 25%
- the share of reimbursement of investment costs for the production of feed – 30%

Type of investment required:

direct investment

Market: Kazakhstan, Russia, China, Europe

Planned production: fish, fish products

Benefits:

- Commercial water reservoirs in WKO – 34.0 thousands ha;
- Favorable logistics location;
- The possibility of supplying fresh or chilled fish to the Russian Federation;
- Aquaculture calculator for calculating projects in pond, cage, lake-commodity and installation of closed water supply for fish farm (on the website of "Scientific and Production Center of Fisheries" LLP <http://fishrpc.kz>).

**report on fish processing and canning from The national chamber of entrepreneurs of the Republic of Kazakhstan "Atameken" for 2020 stat.gov.kz*





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