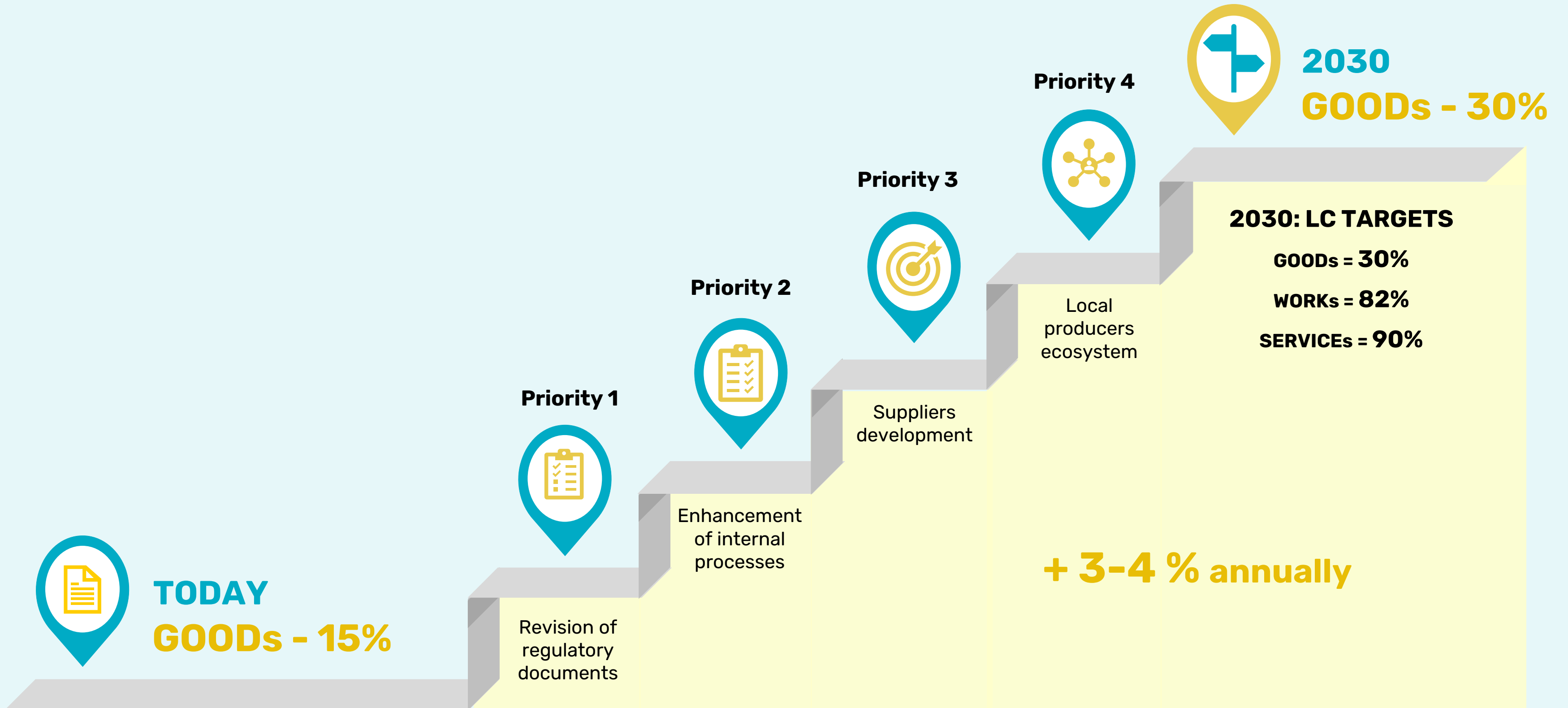


LOCAL DEVELOPMENT **CONTENT ON**
KARACHAGANAK PROJECT -
A NEW LOGIC OF THE PROCESS

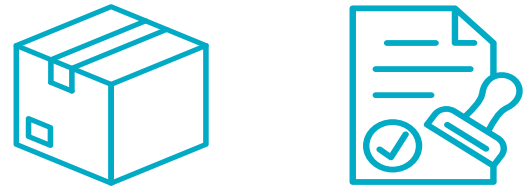


MANKEYEV MUKHTAR
Vice General Director KPO B.V.





TRIAL ORDER



Tenders for testing a trial batch of GOODS from Kazakhstani suppliers.

SINGLE SOURCE



In the event that there is a **single producer of Goods** of Local Origin that has demonstrated that such Goods meet KPO technical requirements .

KAZAKH TENDER



Tenders exclusively among Kazakhstani Suppliers. The goal is to award contracts to Kazakhstani suppliers of GWS.

CONTRACT IN EXCHANGE FOR INVESTMENTS



A contract in exchange for investment is a long-term contract under which the supplier undertakes to produce goods of local origin that are the subject of a procurement contract in the territory of the Republic of Kazakhstan



TENDER PROCEDURES UPDATES

	БЫЛО	СТАЛО
Kazakh tender	at least 5 local producers	at least 3 local producers
Negotiated contract award procedure	-	Negotiations with 2 local producers with the aim to award one or two contracts
Conditional bid reduction for local producers	from 10%	from 20%

CONTRACT IN EXCHANGE OF INVESTMENT

Obligations of the parties under the contract

KPO

- Provides long-term contracts (up to 10 years);
- Ensures predictable demand for the entire duration of the contract, with confirmation on an annual basis;

BUSINESS PARTNER

- Invests in the localization of the production of goods and ensures the declared dynamics of the localization level;
- Ensures full compliance of manufactured goods with KPO technical standards;
- Guarantees a competitive price.

Methods of awarding a contract: competitive tender, negotiated contract, non-competitive basis or from a single source.

2014 WINNING A KPO TENDER

06



SUPPLIER QUALIFICATION

05



ESTABLISHMENT OF A QUALITY MANAGEMENT SYSTEM

04



SKILLS DEVELOPMENT, EMPLOYEE TRAINING

03



ISO SYSTEM IMPLEMENTATION

02

2009

KPO TENDER ANNOUNCEMENT, (DECLINING PARTICIPATION)

01



SOME INITIATIVES ON LOCALIZATION OF GOODS



CEMENT

USE OF LOCAL CEMENT FOR KPO WELLS [20"-13 3/8" casing sections]



MODULES FOR WELL HOOK UP PROGRAM

Localization of **modules for well hook up program** has been held. LC share is **67%**.



CONTACTOR COLUMN

CONTACTOR COLUMN with weight of **122 tones** has been installed in frame of **KEP-1B project** with **65%** LC share.



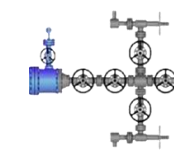
MECHANICAL WET SEALS

Contract for the provision of locally produced **mechanical wet seals** has been awarded.



CASING

Negotiations are underway on cooperation with domestic production sites to master the full production cycle of the **30-13 3/8" casing and 4 1/2" pipe**.



WELL HEAD AND CHRISTMAST TREE

Active work is underway to localize the production of **wellhead fittings, fountain fittings and shut-off valves**



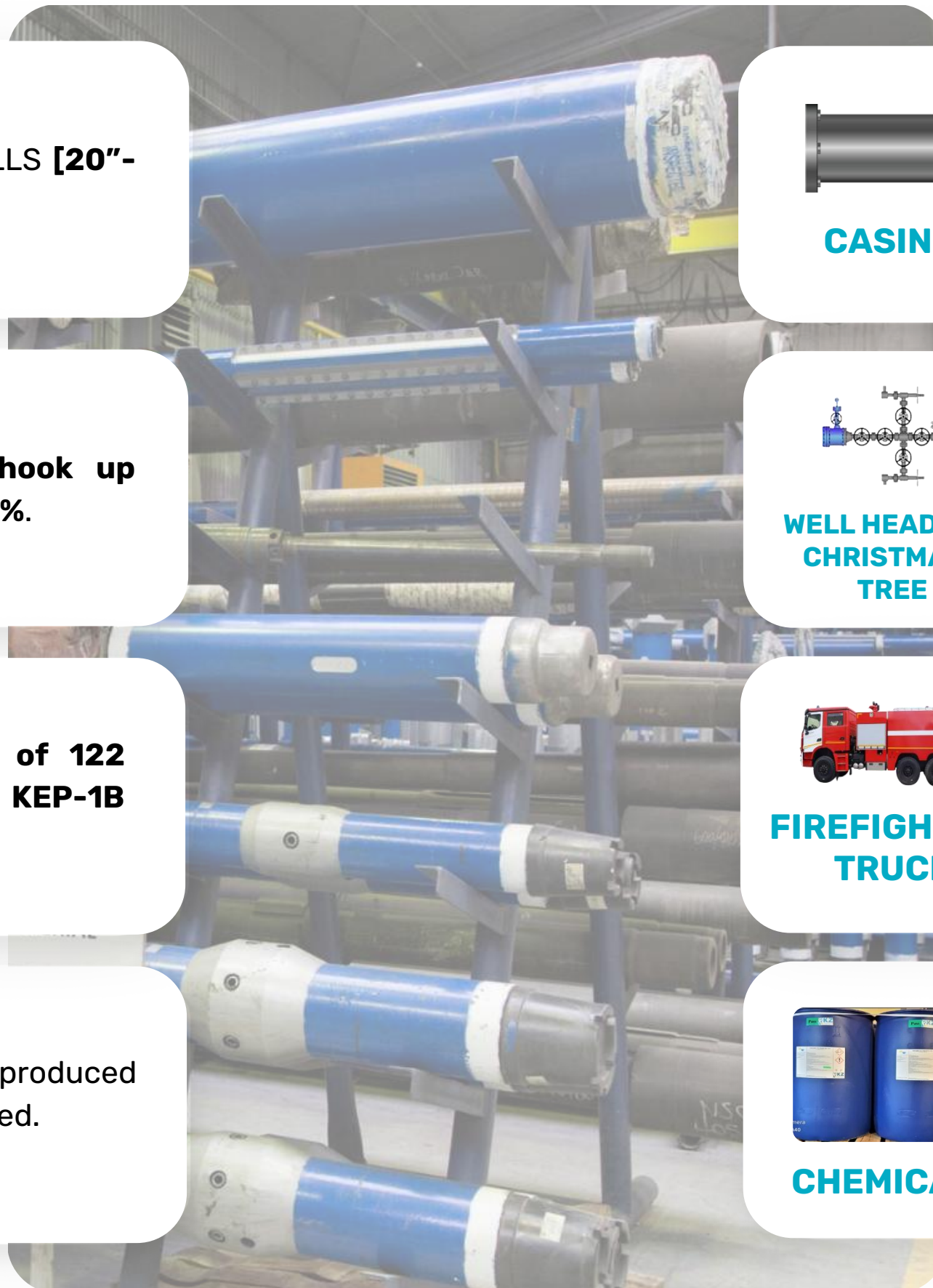
FIREFIGHTING TRUCK

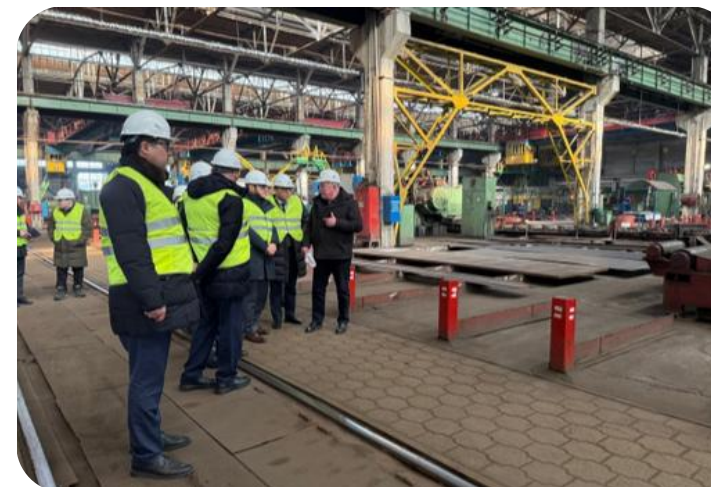
Contract award for the provision of locally produced **firefighting truck**



CHEMICALS

At the moment, **field trials are being conducted as part of the trial order**, based on the results of which further cooperation will be considered





18
facilities has
been visited

80
companies
covered

55
new companies
registered





THANK YOU!