



SIBUR TEAMS UP WITH SAMRUK-KAZYNA AND KAZMUNAYGAS

An important agreement was signed at Eurasia's 14th KAZENERGY Forum.

On the sidelines of the 14th KAZENERGY forum, SIBUR, Samruk-Kazyna, and KazMunayGas signed agreements setting out the groundwork for cooperation in the National Industrial Petrochemical Technopark, a special economic zone in Atyrau, a city on the Caspian Sea in western Kazakhstan. Each company agreed on the terms of two joint ventures (JVs), to be established at an integrated gas chemical complex.

ALIK AIDARBAYEV,

Chairman of the Management Board at KazMunayGas:

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More specifically, the first JV involves the construction of a 1,250 ktpa polyethylene plant, while second JV's 500 ktpa polypropylene plant is already under construction. SIBUR will hold a 40% equity stake in both of the JVs. These will be the first facilities of this scale in Kazakhstan; while demand for polymer products is growing both in Kazakhstan and in neighbouring Central and Southern Asian countries, it is currently outpacing domestic chemical capacity additions.

"As instructed by the country's leadership, KazMunayGas is helping to build up a national petrochemical industry," said Alik Aidarbayev, Chairman of the Management Board at KazMunayGas. "This year, as we look towards the 30th anniversary of Kazakhstan's independence, we reached the final stages of construction of a polypropylene plant, slated for launch in early 2022. The next phase of this project will be to build a polyethylene plant. I would also like to note that in SIBUR we have a reliable partner with all the necessary expertise and technology. In addition, this cooperation will allow us to enter new sales markets for Kazakhstan's products."



Alik Aidarbayev, Chairman of the Management Board at KazMunayGas (left), Almassadam Satkaliyev, CEO of Samruk-Kazyna (centre), and Dmitry Konov, Chairman of the Management Board at SIBUR, signed a framework agreement for cooperation on petrochemical projects in Kazakhstan.

“SIBUR is committed to developing its petrochemical business and already boasts a wealth of experience in the construction, commissioning, and operation of world-scale petrochemical facilities,” commented Dmitry Konov, Chairman of the Management Board at SIBUR. “Our proven track record in launching projects and operating world-class polymer facilities, paired with the extensive experience of our Kazakhstani partners in the construction and operation of major oil and gas production, transportation, and processing facilities, will strengthen the global market position of these JVs, adding new competitive capacity to our respective asset portfolios. These new capacity additions will also have a positive impact on the growth of domestic consumption of polymer products in Kazakhstan and other Eurasian Economic Union members, all while strengthening the export portfolios of high value-added products by leveraging SIBUR’s existing infrastructure and expertise.”

Background

KazMunayGas is a leading vertically-integrated oil and gas company in Kazakhstan, managing assets throughout the entire production cycle, from hydrocarbon exploration and production, to transportation, refining, and the provision of maintenance services.

Samruk-Kazyna is an investment holding, whose mission is to improve the national welfare of Kazakhstan and ensure long-term sustainability for future generations.