



# STATE PROGRAM

for Accelerated  
Industrial-Innovative Development  
of the Republic of Kazakhstan

**Embassy of the Republic of Kazakhstan**



## INCREASE BY 2015:

- 7 GDP by **50%** of the 2008th GDP.
- 7 Productivity in manufacturing industry by no less than **1.5 times**.
- 7 Share of the manufacturing industry in the structure of GDP to **12.5%**.
- 7 Share of non-raw materials exports in the total volume of exports to **40%**.
- 7 Share of innovative enterprises in the number of active enterprises to **10%**.

## DECREASE BY 2015:

- 7 Energy intensity of GDP by no less than **10%** of the 2008<sup>th</sup>.



## Traditional

- 7 Mining and Metallurgical Complex.
- 7 Atomic industry.
- 7 Chemical industry.
- 7 Petrochemicals.

## Based on domestic demand

- 7 Machinery.
- 7 Construction industry.
- 7 Pharmaceuticals.

## Export-oriented

- 7 Agro-industrial complex.
- 7 Light industry – FES «Ontustik».
- 7 Tourism - FES «Burabai».

## Sectors of «the future economy»

- 7 Information and Communication Technology.
- 7 Biotechnology.
- 7 Alternative Energy.



## **BUSINESS ROAD MAP 2020: Development of small and medium enterprises**

- 7 Interest rates subsidies on loans;
- 7 Development of production (industrial) infrastructure.

## **EXPORT 2020: Promotion of domestic companies on foreign markets**

- 7 Grants for exporters;
- 7 Trade finance and export insurance;
- 7 Export support services.

## **PRODUCTIVITY 2020: Improving efficiency through cost reduction**

- 7 Subsidized interest rates on leases and loans;
- 7 Innovation grants;
- 7 The introduction of new products for production.

## **INVESTOR 2020: Foreign investment attraction**

- 7 **Exemption from customs duties;**
- 7 **State natural grants;**
- 7 **Tax incentives in FEZ;**
- 7 **Measures from BUSINESS ROAD MAP 2020**



# ATTRACTING FDI: “ONE-STOP SHOP” SERVICES





## Mining policy principles:

Resource support  
for SPAIID projects

Promotion of the use  
of technology  
for the production

Transition to high value  
added production

Enhancement  
of contractual obligations  
monitoring

**Total – 5004 deposits**  
Groundwater - 1285/1028  
Hydrocarbon raw - 259  
Solid Minerals - 839  
Widespread minerals - 2624



**By 2014, increase the share of local content to 60%**

**Entrepreneur**

### **Participation criterion**

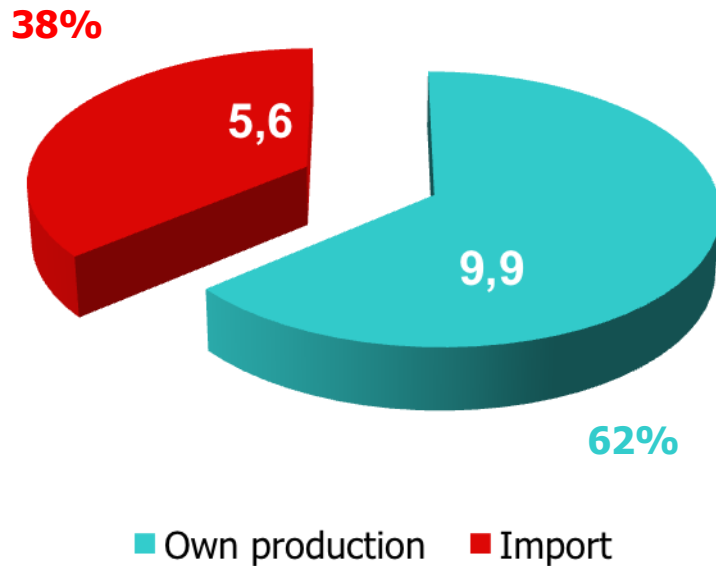
- 7 Production in Kazakhstan.
- 7 Status of Kazakhstani producer (certificate CT-KZ).

### **Competitive advantages**

- 7 Prioritized procurement.
- 7 Use of "conditional discounts".
- 7 Minimum long-term public order.



MSC market - \$ 15,5 bn



## Niche projects:

### Non-ferrous metallurgy

- Alumina – 1500 thsd ton.
- Primary Aluminum – 250 thsd ton.
- Copper – 578 thsd ton.
- Zinc – 36 thsd ton.

### Ferrous metallurgy

- Steel – 6000 thsd ton.
- Ferrochrome and Ferrosilicochrome – 440 thsd ton.
- Granular iron – 500 thsd ton.
- Briquetted iron – 2800 thsd ton.

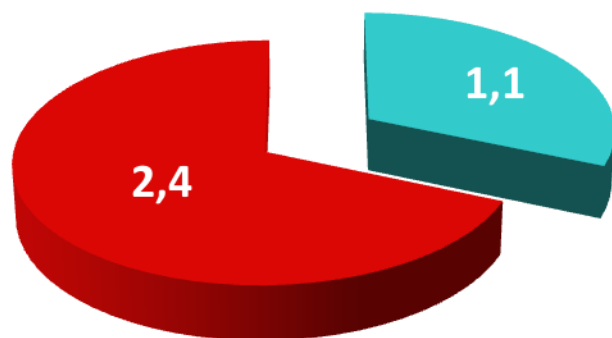
### Waste dumps recycling

- Industrial waste – 20 bn ton.
- Non-ferrous metallurgy – 10.1 bn ton.
- Ferrous metallurgy – 8.7 bn ton.





Chemical industry market - \$ 3.5 bn



■ Own production ■ Import

## Niche projects:

### Basic inorganic chemistry

- └ Potash – 400 thsd ton.
- └ Soda – 350 thsd ton.
- └ Sodium cyanide – 100 thsd ton.

### Basic organic chemistry

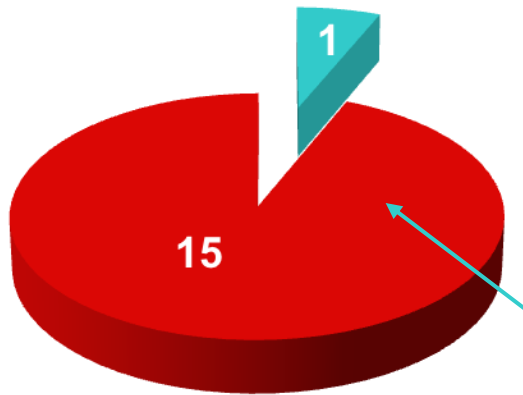
- └ Polyvinylchloride – 15 thsd ton.
- └ Polyethylene glycol – 10 thsd ton.
- └ Organic acids – 120 thsd ton.

### Specialty Chemicals Household chemicals

- └ Retardants – 250 thsd ton.
- └ Phenol antioxidants – 45 thsd ton.
- └ Super plasticizers – 50 thsd ton.
- └ Agrochemicals – 20 thsd ton.
- └ Oil additives – 38 thsd ton.



## Machinery industry market - \$ 16 bn



■ Own production ■ Import

Segments of machinery industry	Volume of import (\$)
1. Transport machinery	4,128 bn
2. Electrical machinery	2,736 bn
3. Oil and gas machinery	1,695 bn
4. Agricultural machinery	1,2 bn
Total	10 bn

Share of machinery industry in the structure of total imports of the country **41%**



# ALTERNATIVE POWER (Renewable energy sources)





## Land

Priority in reservation and provision of land for the construction of renewable energy projects.

## Transfer of energy

Support for connecting objects of RES to networks of power transmission organizations.

Energy transmission organizations liabilities to purchase electricity generated using renewable energy.

Exemption from payment for the transfer of renewable electricity through network of energy transmission organizations.

## Construction

Investment incentives and preferences for the construction and operation of the renewable energy sources.



# INDUSTRIAL INFRASTRUCTURE

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# ICBC «Khorgos: Western Europe - Western China»

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**ICBC "Khorgos"**



**West Europe – West China**  
– 8 445 км (10 days)

**Sea route – 24 000 км (24 days)**



## Advantages for potential investors:





**Welcome to Kazakhstan!**