



EMBAJADA  
DE ESPAÑA

OFICINA ECONÓMICA  
Y COMERCIAL DE ESPAÑA  
ALMATY

## REVISTA DE PRENSA

18 de marzo de 2015

### Kazajstán



#### **Kazakhstan's Halyk Bank net profit jumps by 58 pct in 2014**

Halyk Bank , Kazakhstan's second-largest lender by assets, said on Tuesday its net profit jumped by 58 percent to 114.4 billion tenge (\$617 million) in 2014, above its own forecast of between 95 billion and 100 billion tenge.

Halyk, the Central Asian nation's most profitable bank, said its assets grew by 12.1 percent last year, while net loans issued to customers rose by 11.2 percent. (Reporting by Mariya Gordeyeva; Writing by Dmitry Solovyov; Editing by Michael Perry)

Fuente: reuters

#### **Kazakhstan to limit poultry imports from Russia**

Kazakhstan will take measures to prevent the import of poultry meat of low quality to the country, stated Asylzhan Mamytbekov of the Ministry of Agriculture during the annual meeting of the country's Union of Poultry Breeders. In daily practice this means imports from Russia, where production of poultry is cheaper at the moment, will be limited.

Kazakhstan to limit poultry imports from Russia

According to Asylzhan Mamytbekov, currently domestic poultry farmers suffer from currency fluctuation of the Russian ruble, which is making Russian poultry more competitive.



Mamytbekov also said that neighbouring countries supply mostly poultry of low quality to Kazakhstan, with which domestic producers cannot compete.

"In the context of our integration processes (within the Customs Union of Russia, Belarus, Kazakhstan and Armenia) we have to put a stop to imports that violate the rules of fair competition. There are many goods and products being imported that don't comply with technical regulations and sanitary norms," said Mamytbekov.

Mamytbekov said state support to the poultry farmers should be increased. According to him, the government will very soon increase subsidies on the purchasing of feed and grants to poultry farms.

Fuente: worldpoultry

### **Int'l, Domestic Oil and Gas Experts Discuss Exploration in Kazakhstan at Astana Forum**

ASTANA – The first international forum on oil and gas exploration titled, "Kazakhstan Geology Forum: Oil & Gas in Focus," took place in Astana's Rixos Hotel on March 12-13 with the support of the Ministry of Investment and Development of the Republic of Kazakhstan.

"Since independence, the theme of oil and gas geology has been discussed at such a high level with the involvement of well-known geologists, geophysicists, specialists, organisers of the prospecting business, scientists, as well as representatives of foreign oil and gas companies and government agencies for the first time," President of Kazakhstan Society of Oil Industry Workers and Geologists Baltabek Kuandykov told the forum.

Minister of Investment and Development Asset Issekeshv who took part in the plenary session on the resource potential of mineral resources of Kazakhstan, its status, problems, innovative vector of development and real prospects, announced that "In 2015, 3.26 billion tenge (US \$17.6 million) from the national budget and the National Fund will be used to finance new regional exploration works on oil and gas. In particular, two geophysical surveys and the drilling of two support parametric wells. The state will be financing the study of less explored areas, where it's currently problematic to attract investors."

According to Issekeshv, despite the optimization of budget programmes in several areas, oil exploration is one of the few industries for which the state allocated more money than last year.

"In general, we are currently developing new approaches. The last two to three years were great for the development of exploration. A special programme has been developed. This year, through our geology committee, we will provide a digital map that will include information on oil and gas sites. By the end of 2015, this interactive map will be able to provide any information without the need to request," said Issekeshv.



Also during the forum, First Deputy Minister of Energy Uzakbai Karabalin said that Kazakhstan together with an international consortium will start the realisation of “Eurasia,” the largest oil project in the Caspian Basin worth \$500 million.

According to him, much of the oil in Kazakhstan is extracted mainly in the fields of the Caspian depression, where up to 75-80 percent of hydrocarbon resources of the country are concentrated. A reduction in the production at major sites, such as Tengiz and Karachaganak is expected in 15 to 20 years, but exploration of resources in deep horizons can compensate for this trend.

The forum programme covered the development of the resource potential of Kazakhstan subsurface geophysical technology, the field of research, development of marine areas, scientific research and questions of financing of exploration work, training and retraining.

Specific topics of discussion included attracting investments in exploration, improving the legal framework, developing high and hard deposits of oil, associated gas utilisation and the introduction of innovative methods and technologies in the oil and gas industry for the study of deep oil and gas reserves.

Among the guests of the forum were Chairman of the Board of KazMunayGas Sauat Mynbayev, Chairman of the Committee on Geology and Mineral Resources of the Ministry of Investment and Development Bazarbai Nurabayev, Chief Executive Officer of the KAZENERGY Association Asset Magauov and Chief Geologist of Rosgeologiya Alexey Soloviyev.

The event was attended by about 300 specialists from the oil and gas industry, as well as representatives of more than 70 companies from Kazakhstan, Canada, the Netherlands, Russia, Uzbekistan, Belarus, France, U.K. and Germany.

Fuente: astanatimes

### **Afghanistan, Kazakhstan could become new global rare earth metals centers**

Afghanistan and Kazakhstan may become new global centers of rare earth metals’ production during the next several years with Kazakh government recently approving a state plan that involves a significant increase of production and development of the country’s of rare and REM fields during the next four years.

Afghanistan’s Rare Earth Elements have been valued at around \$1 trillion despite being one of the poorest nations in the world.

According to a survey report by US scientists, Afghanistan may be sitting on one of the richest troves of minerals in the world, loaded with minerals deposited by the violent collision of the Indian subcontinent with Asia.



The report further added that Afghanistan may hold 60 million tons of copper, 2.2 billion tons of iron ore, 1.4 million tons of rare earth elements such as lanthanum, cerium and neodymium, and lodes of aluminum, gold, silver, zinc, mercury and lithium.

In the meantime, Eugene Gerden in his report for Investor Intel, stated that one of the most valuable metal that was discovered in the country's territory is praseodymium, which is a silver metal that is used in the manufacture of specialty glasses and for the improvement of the properties of some alloys.

Among the other discovered rare earth metals are cerium, which is actively used in metallurgy, as well as lanthanum, neodymium, samarium and gadolinium, the report added.

Gerden is an international free-lance writer, based in St. Petersburg, who specializes on writing in the field of mining, metals and rare earth metals and has worked as a senior analyst in the department of mining of the Russian Ministry of Natural Resources for three years after graduation of the geology department of the St. Petersburg State University.

Afghanistan's mineral resources were valued at \$908 billion by U.S. Department of Defense's Task Force for Business and Stability Operations (TFBSO) in 2010. However, Afghan government's estimate is \$3 trillion. The resources provide the potential for Afghanistan to develop its economy, to create jobs and build infrastructure, as it goes into the future and lift Afghanistan out of poverty and fight crime and terrorism.

Fuente: khaama

### **Kazakhstan, Azerbaijan, Georgia and Turkey to set up joint transport company**

Kazakhstan, Azerbaijan, Georgia and Turkey intend to set up a joint transport company for rail transport as part of TRACECA program, Ambassador of Kazakhstan to Azerbaijan Amangeldy Zhumabayev told reporters March 16.

"The countries are currently preparing an agreement on transit transportation," he said. "It will introduce a single tariff for the transportation of goods and simplify the registration of contracts to suppliers."

Zhumabayev said that Kazakhstan and Azerbaijan have great transit potential. "Silk Road" project connecting China and Europe will give great opportunities in this area.

Today the trade turnover between Europe and China is about \$ 600 billion.

"Most of these goods are transported by sea today," the diplomat said. "The "Silk Road" project, envisaging the transportation of goods through Central Asia and South Caucasus, will reduce the transportation period by more than twofold - up to 12-15 days."

The ambassador said that the Baku-Tbilisi-Kars railway will be put into operation and Alat port near Baku will be commissioned in 2015. At the same time, Kazakhstan intends to expand the port of Aktau, where an



additional ferry terminal will be built. This infrastructure will contribute to the growth in transportation volume between Azerbaijan and Kazakhstan.

Zhumabayev also said that the number of joint Azerbaijani-Kazakh enterprises, as well as Azerbaijani companies, operating in Kazakhstan, and Kazakh companies operating in Azerbaijan is being increased.

"In particular, the Kazakh grain terminal is successfully operating in Baku," the diplomat said. "The Azerbaijani company Azersun will construct a logistics terminal near the port of Aktau in the next two months. The terminal will consist of modern storage facilities with refrigeration units for storage of agricultural products in the volume of 10,000 metric tons, including 2,500 metric tons of fresh fruits and vegetables, and further sale in Kazakhstan."

The State Oil Fund of the Republic of Azerbaijan (SOFAZ) finances the project in accordance with the Azerbaijani president's decree 'On the implementation of the Baku-Tbilisi-Kars project activities' dated February 21, 2007.

The peak capacity of the corridor will be 17 million metric tons of cargo per year. At the initial stage, this figure will be equal to one million passengers and 6.5 million metric tons of cargo. (Cihan/Trend az)

Fuente: cihan

### **Azerbaijan-Kazakhstan develops air bond**

Kazakhstan plans to develop its transport relations with Azerbaijan, said Amangeldy Zhumabayev, Kazakh Ambassador to Azerbaijan on March 16.

The diplomat made the remark at the event where Kazakh flag carrier Air Astana Company presented its plans for Azerbaijan. The company which has operated flights for 12 years, covers over 60 international and regional destinations. The air park of Air Astana consists of 30 western-made aircrafts with average exploitable age of 5.7 years.

"Air Astana is one of the most prestigious companies of the region," Zhumabayev noted. The company has always strived to develop its operational reach, opening new destinations every year.

"Baku is of a special interest for the company," the ambassador believes, as of historic ties as well as developing business relations.

"Both Azerbaijan and Kazakhstan plan to become the largest transit hubs," he said.

He noted the Silk Road project through Kazakhstan and the Caucasus will enable the transit of goods from China to Europe in 12-15 days, while currently it takes 30-45 days by sea.

"Kazakhstan, Azerbaijan, Georgia and Turkey are interested in developing such methods of transportation," he added. Azerbaijan is now finalizing Baku-Tbilisi-Kars railway project and the construction of a large seaport near Baku.

"This will help develop business and air communications," he said, as Azerbaijan is developing its air transportations by the opening of a brand new airport.

Zhumabayev noted that Kazakh president Nursultan Nazarbayev will visit Azerbaijan later on this year to discuss the transit issue.



"Kazakhstan, Azerbaijan, Georgia and Turkey are now preparing intergovernmental agreements on transit that will presuppose each country to undertake a commitment on tariffs and delivery period," the ambassador said. These four states will create a mutual company to maintain the commitment.

**Air Astana offers convenient connections**

The event was attended by Yerbol Ospanov, the senior vice president of Air Astana on government, legislative issues and security, Serik Rys-uly, the sales director in CIS, and Bella Tormysheva, the vice president on Corporate Communications.

Serik Rys-uly presented a new program of the company "Stop Over Holidays", that is designed for international transit passengers, traveling via Astana and Almaty, which may be suitable for Azerbaijanis.

The Stop Over package include hotel accommodation, breakfast, return airport transfer, free SIM-card, various excursion, and special bonuses in Astana and Almaty's best restaurants . The offer is available every day with no minimum group size.

"The firm partnership and friendship relations have been established between the Air Company and Azerbaijan," Rys-uly said. The company has transferred 46,869 passengers in Almaty-Baku and Astana-Baku destinations in 2014.

"Today, Air Astana, famous for its accuracy, is hoping to develop further cooperation suggesting suitable connections while traveling to Bangkok, Beijing, Kuala-Lumpur, Seoul, Urumqi and Bishkek," Rys-uly added.

The Kazakh carrier was already credited for being the best airline company of Central Asia and India three times. It has a four stars rating according to Skytrax agency and leads aviation market in 2015 according to Air Transport World.

Almaty-Baku flights started as a seasonal charter flights provider in 2009. Astana-Baku flight was launched due to the increase in demand among business in 2012.

At present, the company performs three flights from Astana and three from Almaty. During the spring-summer period, Air Astana plans to increase the number of flights up to eight in a week.

Fuente: azernews

### **Rouble slide taking its toll on Kazakh companies**

Companies in former Soviet countries are feeling the heat from the devaluation of the Russian rouble.

Although the rouble is rallying today against the US dollar, the sharp fall in the currency since autumn last year on concerns over how Western sanctions and sliding oil prices will impact the Russian economy has caused a ripple effect in some of the former economies of the Soviet Union.

Kazakhstan Kagazy, the largest producer of packaging in Central Asia, is warning that the devaluation of the rouble against the Kazakhstan tenge over the last six months is having a "significant adverse effect" on both its business and the country's economy.



The rouble has fallen to 3 tenge per rouble from a year-high of 5.44 in June, raising questions over whether Kazakhstan will be forced into another devaluation.

Russia remains Kazakhstan's biggest trading partner and Kazakhstan Kagazy says the devaluation of the rouble against the tenge has allowed Russian producers to "aggressively undercut the pricing of Kazakh production companies".

The resulting decline in production across Kazakhstan's agricultural and consumer goods sectors has led to a "material fall in sales revenue", Kazakhstan Kagazy has warned.

The London-listed company is forecasting that first quarter sales will be down by over 18 per cent compared to the first quarter of 2014.

Kazakhstan Kagazy says it is pushing through a "comprehensive" cost-cutting and savings programme but further cuts may be necessary if the current economic situation "continues or deteriorates".

The chart below illustrates the fall of the rouble against the tenge.



Fuente: Financial times



## **Kazakhstan Imposes Temporary Ban on Some Russian Fuel Imports**

An official ban on imports of Russian motor fuels, like light distillates and diesel fuel products, will be in force from March 5-April 20, the Kazakh Ministry of Energy press service announced.

According to the order, signed by Minister of Energy Vladimir Shkolnik, the ministry's Oil Industry Development Department should inform Kazakhstan Temir Zholy to undertake measures implementing the order in the prescribed manner. Law enforcement should be controlled by First Deputy Minister of Energy Uzakbai Karabalin.

It was reported earlier that the ban was introduced in order to ensure energy security connected with the danger to impede the activity of the biggest local oil refineries due to the surplus of petroleum products imported from the Russian Federation. The Kazakh Ministry of Energy failed to find a compromise with its Russian counterparts limiting imports of oil products to the country. As a result, it was decided to undertake drastic measures to solve the problem. Sauat Minbayev, head of KazMunayGas, which owns three existing refineries in Kazakhstan, said in February that the volume of imports from Russia was slightly higher than the previously-indicated volumes. According to him, the level of light oil supplies from Russia was at the annual level of 1.8 million tonnes. This level was confirmed as indicative of the oil balance between Kazakhstan and Russia.

“You know that in December we lowered the price of gasoline 92 and diesel fuel twice. All stores are now completely filled with diesel fuel, which composes almost 350,000 tonnes. Thus we are facing a problem. If a cheap gasoline and gasoline that is now cheaper in Russia rushes into the country, it can cause problems to our plants and a lot of people may lose their jobs. Right now we are trying to somehow keep our relations with Russia on a reasonable level. We will meet with the Ministry of Energy of the Russian Federation to decide how to tackle this situation, so that we won't harm local producers and, on the other hand, can ensure a sufficient inflow of a cheap gasoline,” said Shkolnik while speaking to deputies of Parliament.

This is not the first time Kazakhstan has introduced a ban on imports of Russian petroleum products. Such measures were applied in 2013 and 2014 because of the same reasons. Addressing the problem of Kazakh oil processing plants, Karabalin said that the general amount of gasoline 92 reached 400,000 tonnes, leading to the fact that factories stopped operating.

“This is the worst option for two reasons. First, we have to import a particular amount of fuel from Russia that is defined by the outline plan. If we import the entire amount during the first two quarters of the year, we won't be able to import fuel during the last two quarters. Secondly, if plants stop operating we can't get the profit, which immediately affects the national and local budgets and these amounts are estimated in billions of tenge,” explained Karabalin.

Fuente: astanatimes





## **New plant in East Kazakhstan to ship titanium to South Korea by yearend**

ASTANA (TCA) — POSUK Titanium, a joint venture of Kazakhstan's Ust-Kamenogorsk Titanium and Magnesium Plant and South Korea's POSCO, plan to ship the first batch of titanium to South Korea by the end of this year, the press service of Development Bank of Kazakhstan said.

The shipment will take place after completion of international certification of product.

A new plant in the East Kazakhstan province was commissioned last November. Development Bank of Kazakhstan financed around a fourth of the project's total cost of \$70 million.

The bank's long-term (up to 10 years) funding of the project will help to launch the production of more than 6,000 tons of titanium ingots and slabs per year and create around 100 jobs. The new plant is a pioneer in the production of metallurgical products with a higher added-value in Kazakhstan.

POSCO will deliver the first products of the Kazakh plant to ship-building companies in South Korea.

In the future, titanium from East Kazakhstan would be used in Kazakhstan's oil, chemical and energy industries, as well as in water-desalination equipment and liquefied gas production.

Established in 2001, Development Bank of Kazakhstan is a national development institute aimed at modernization and development of non-raw material and infrastructural sectors of Kazakhstan's economy.

Development Bank of Kazakhstan currently funds eight investment projects in the metallurgical industry totaling \$500 million. The projects include construction of an alumina plant in the Pavlodar province, a reinforced metal plant in Kostanai, a railway track plant in Aktobe, and extension of high-carbon ferrochrome production at Aktobe Ferroalloy Plant.

Fuente: timesca



## **Kazakhstan's mining market fiscal regime: H2 2014 to experience healthy growth in future**

The report outlines Kazakhstan's governing bodies, laws, mining licenses, rights, obligations and tax-related information which includes signing bonus, commercial discovery bonus, payment to compensate for historic cost.

### Synopsis

Timetric's Kazakh fiscal regime outlines the governing bodies, governing laws, licenses, rights and obligations and tax-related information on 11 commodities: coal, iron ore, zinc, lead, copper, bauxite, gold, silver, nickel, chromium, uranium and manganese.

### Scope

The report outlines Kazakhstan's governing bodies, laws, mining licenses, rights, obligations and tax-related information which includes signing bonus, commercial discovery bonus, payment to compensate for historic cost, tax on production of useful minerals, excess profits tax, corporate income tax, capital gains tax, land tax, social (payroll) tax, vehicle tax, deductions, depreciation, loss carry forward, withholding taxes, value added tax(Vat).

### Summary

Kazakhstan possesses significant fossil fuel reserves, along with mineral and metal deposits. It produces a variety of mineral resources such as coal, uranium, lead, zinc, tungsten, molybdenum, borates, phosphorite, copper, potassium and cadmium.

The mining industry in Kazakhstan is governed by the Ministry of Industry and New Technology and Ministry of Environmental Protection. The Law of Subsoil and Subsoil Use is the main regulating law for mining activities in the country

### Key highlights

- The Ministry of Industry and New Technology of the Republic of Kazakhstan is the country's central executive body that manages the mining and metallurgical industries, industrial innovation, scientific and technological developments, and the production of machinery and construction materials.
- The Ministry of Economic Development and Trade is responsible for the implementation, verification and control of state policy on commodity markets.
- The Ministry of Environment Protection is responsible for the development and implementation of state policy for environmental protection and management.
- The Law of Subsoil and Subsoil Use regulates mining activities in the country.



•The Law on Atomic Energy is the basic law covering nuclear legislation in the country. •The Law on Radiation Safety of Population ensures the protection of the population from negative effects of ionizing radiation, and deals with the rights of individuals in regards to safety.

For more information:

[www.bigmarketresearch.com/kazakhstans-mining-fiscal](http://www.bigmarketresearch.com/kazakhstans-mining-fiscal)  
[www.bigmarketresearch.com/report-enquiry/181898](http://www.bigmarketresearch.com/report-enquiry/181898)

Fuente: whatech

### **Expert says oil processing investments to help Kazakhstan not to depend on oil prices**

By Trend

Kazakhstan needs to more effectively use its available oil reserves to create and expand high-tech oil refinery industries so as not to depend on oil prices, Murat Abulgazin, the senior analyst at the Kazakh Investment Profitability Research Agency said.

"Deep oil refining and petrochemicals are always economically profitable and are a kind of protection from changes in the raw materials market," he told Trend in an interview March 16.

The expert added that even with intentions to diversify the economy, the oil and gas industry has been and will remain the most important industry for Kazakhstan, just like the importance of hydrocarbons for humanity.

"Market prices will always fall and rise with various amplitudes, fully reflecting the human or social character – the constant change of moods and emotions," Abulgazin said.

However, he added, the vital need in this energy resource, as a basic condition for the existence of humanity, will always remain.

Therefore, as Abulgazin said, today, it is important for Kazakhstan to carry out geological exploration to find sources that can be developed and give raw materials in the future

He recalled that earlier, Uzakbai Karabalin, Kazakhstan's first vice-minister for energy, said the production at the major existing fields – Tengiz and Karachaganak – is expected to fall in 15-20 years, so there is a need to find alternatives to them.

"And this is the need of geological exploration, including the Caspian Basin as part of the so-called Eurasia project," Abulgazin said.

At the same time, he said private investors will unlikely direct huge resources towards geological exploration in Kazakhstan. He added that foreign oil companies that appeared in the post-Soviet area in the 1990s got the resources explored in Soviet times for development, i.e., and made a profit on "ready for use".

Abulgazin said that that the long-term investments in any field have a number of economic and political risks. For example, in Poland and Romania, big US companies spent billions on examining shale deposits. But as a result, they were forced to admit a lack of geological prospects. Shell and Chevron backed off conducting search and development operations in southeastern Ukraine because of current events.



“Therefore, big transnational companies and the countries themselves can agree on long-term investment,” the analyst said. “It is quite logical that the Kazakh government intends to spend large amounts on geological exploration in the coming years.”

Minister of Investment and Development Asset Issekeshv said earlier that Kazakhstan intends to direct more than 3.2 billion tenge (about \$17.6 million) from the budget and the National Fund towards geological exploration in 2015. Issekeshv made this statement during a forum entitled "Kazakhstan's geological exploration: oil and gas in focus".

Fuente: azernews

### **Kazakhstan: as of March 1, grain stocks totaled nearly 11 mln tones**

The FINANCIAL -- As of March 1, 2015, the registered carry-over stocks of grains and pulses in Kazakhstan totaled 10.908 mln tonnes, reported the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan. In particular, peasant and farming households stored 1.895 mln tonnes of grains.

Wheat formed the major volumes of the general grain stocks – 9.245 mln tonnes, including 7.454 mln tonnes of milling wheat, 475 thsd tonnes of feed wheat and 1.314 mln tonnes of wheat for seeds. Maize stocks reached 101.7 thsd tonnes, rice – 149 thsd tonnes, barley - 1.028 mln tonnes, rye - 40.6 thsd tonnes, oats – 148.1 thsd tonnes, buckwheat - 28.5 thsd tonnes, millet – 10.4 thsd tonnes, and mixture of spiked grain crops – 110.7 thsd tonnes, according to APK Inform-Agency.

Fuente: finchannel

### **Sumatec's RM1bil assets buy in Kazakhstan 'fair'**

PETALING JAYA: Sumatec Resources Bhd's US\$290mil (RM1bil) proposed acquisition of oilfields and other assets in Kazakhstan “appears fair and reasonable” according to independent adviser FHMH Corporate Advisory.

“The rationale for the proposed acquisition is fair and reasonable as it allows Sumatec to consolidate its position in the oil and gas industry while diversifying its revenue stream from the Rakushechnoye oil and gas field.

“Further, the proposed acquisition will also provide Sumatec a recurring income until the expiration of the subsoil use agreement in 2026,” said FHMH, an affiliate of Australia's Ferrier Hodgson group.

The letter was included in Sumatec's circular to shareholders that was filed with Bursa Malaysia yesterday.

FHMH recommended that the non-interested shareholders vote in favour of the resolutions at the EGM to be held in Kuala Lumpur on April 8.

Sumatec had, on Aug 28 last year, signed a conditional agreement with Markmore Sdn Bhd director Abu Talib Abdul Rahman and Dr Murat Safin to buy the entire stake in Borneo Energy Oil and Gas Ltd, including would-be subsidiary Buzachi Neft, for US\$350mil. Sumatec's biggest shareholder Tan Sri Halim Saad is a 99.99% shareholder of Markmore.



The purchase price was revised in January due to the falling global oil prices and Sumatec signed a supplemental agreement with the vendors to reduce the price by US\$60mil to US\$290mil on Jan 9.

Buzachi holds the subsoil use rights for the exploration and production of hydrocarbons at 26 wells in the Buzachi Neft oilfields (technically offshore but in shallow waters) in Kazakhstan for a 25-year period up to Nov 1, 2026.

Of the 26 wells, 14 have been abandoned and liquidated, according to the circular.

Seven wells are in production, and the remaining five are expected to begin production progressively this year.

The supplemental agreement in January cut the purchase price to US\$290mil, of which cash payment is US\$210mil and the balance US\$80mil is by way of issuance of 1.22 billion consideration shares to the vendors at 23 sen each.

Sumatec also revised its rights issue with warrants. It will now issue up to 5.52 billion new rights shares from the original 2.3 billion together with up to 2.76 billion rights warrants at an indicative issue price of 20 sen per rights share from 40 sen.

Fuente: thestar

### **Kazakhstan Kagazy to axe jobs and cut prices**

Kazakhstan Kagazy is lowering prices and cutting jobs and salaries in a bid to remain competitive following the devaluation of the Russian rouble against the Kazakhstan tenge.

Management forecasts that sales and revenue for the first quarter will be down by more than 18% compared to a year ago.

The company says the rouble devaluation combined with the economic slowdown in Russia, which is Kazakhstan's largest trading partner, has allowed Russian producers to aggressively undercut the pricing of Kazakh production companies. This has caused a sharp decline in sales and production for the majority of Kazakhstan-based producers.

It says the decline in production across Kazakhstan's agricultural and consumer goods sectors has led to a material fall in sales revenue.

Additionally Kazakhstan Kagazy is facing strong competitive pricing pressure from Russian packaging producers who, as a result of the rouble devaluation, now benefit from decreased costs and have been able to deeply discount prices for sales into Kazakhstan.

Kazakhstan Kagazy's management has implemented a comprehensive cost-cutting and savings programme, which includes:

- lowering prices to maintain a competitive position in the market
- reducing headcount and salaries for all employees across the business, including directors and management



EMBAJADA  
DE ESPAÑA

OFICINA ECONÓMICA  
Y COMERCIAL DE ESPAÑA  
ALMATY

- minimising administrative and non-essential costs
- moving production to a part-time schedule
- reducing supply orders, selling non-core assets and cancelling non-essential contracts
- working with all suppliers and partners to reduce supply costs

Fuente: stockmarketwire



## Kirguistán



### Kyrgyzstan's next north-south highway expected to boost economy

A second road linking the north and south is taking shape, opening areas to mining and farming potential.

BISHKEK -- A coming highway is meant to transform the Kyrgyz economy, historically hampered by a forbidding mountain range dividing north from south.

Construction began at the end of March 2014 on the 433km highway, designed to connect Balykchi, Issyk-Kul Province, to Jalal-Abad city.

The government expects the project to cost US \$850m (52.3 billion KGS), and for construction to be completed at the end of 2018.

Kyrgyzstan is carrying out the first of three phases and negotiating with the European Bank for Reconstruction and Development to obtain funding for the project's second phase.

Long-term benefits expected

Having a second north-south route will help stimulate mining in Naryn and Jalal-Abad provinces, which are home to large mineral deposits, Kyrgyz economist Erkin Abdyrazakov told Central Asia Online.



"The new road will allow us to significantly decrease the cost of mining coal in Kara-Kech, gold in Makmal and uranium in Min-Kush and to cut costs associated with the Kambar-Ata and Toruz-Torouz hydropower plants," he said. "It'll improve those regions' economy."

The new highway will shorten the trip from Balykchi to Jalal-Abad by 330km, Abdyrazakov said, adding that it would also take traffic off the overburdened Bishkek-Osh highway.

"The tunnel at Too-Ashuu is rated to handle 446 automobiles in a 24-hour period," Abdyrazakov told Central Asia Online. "In practise, several times that figure -- 3,500 vehicles -- are allowed daily, which violates regulations, damages the road and makes [it] dangerous."

Officials are eyeing considerable economic benefits once the new highway opens.

The future highway will enable mining corporations to reach gold, coal, uranium and other resources in hard-to-reach mountainous areas, Transport and Communications Minister Kalykbek Sultanov said last June.

It will also open up more land in Naryn and Jalal-Abad provinces to farming, he said.

Prime Minister Joomart Otorbayev considers the coming highway a powerful economic tool.

"It'll increase our economic activity and investment potential for our less developed areas," he said last June on a trip to Naryn Province. "Without high-quality roads, accomplishing that is impossible."

The country has signed a contract with Polish investors to build an auto assembly plant in Naryn Province, a good start for a predominantly rural province, he said.

The Polish project will serve as an example for other countries interested in investing their own money, he said.

The highway's planned connections to Kazakhstan and to Tajikistan will boost the tourism industry into "one of the most profitable" for Kyrgyzstan, Otorbayev said.

Fuente: Central Asia Online





## **Vladimir Putin: Kyrgyzstan's economy must be adapted to economy of Eurasian Economic Union countries**

"Kyrgyzstan's economy must be adapted to the economy of the Eurasian Economic Union countries," Russian President Vladimir Putin said yesterday at a meeting with the head of the Kyrgyz Republic Almazbek Atambayev.

According to the press service of the Kyrgyz President, Vladimir Putin and Almazbek Atambayev discussed cooperation in economic, trade, investment, energy, cultural and humanitarian spheres. Reviewed the implementation of joint projects and exchanged views on bilateral cooperation in the framework of the Eurasian Economic Union.

"We meet separately, as agreed, in order to review the bilateral agenda, all matters related to our trade and economic activities. And, of course, we talk about what is happening in our part of the integration process. The ultimate goal is to adapt the economy of Kyrgyzstan to the economies of Russia, Kazakhstan, Belarus, Armenia. Of course, all these problems are solvable, and the sooner we do it, the better," Vladimir Putin said.

Almazbek Atambayev said that Kyrgyzstan aims to join the Eurasian Economic Union in a timely manner. "Of course, we would like to be in time for May 9. You remember we set this date. We still have the front-line people who remember, that there was no customs borders. Today we have a good opportunity to discuss issues that have accumulated," the President of Kyrgyzstan said.

Fuente: 24.kg

## **German Ambassador to Kyrgyzstan considers trade between two countries insufficient**

German Ambassador to Kyrgyzstan considers a trade between two countries insufficient. She said it to journalists today.

According to her, the two countries have great potential for development in the economic field. "The turnover of about €100 million a year, I think, of course, is not enough. Mainly from Germany to Kyrgyzstan are imported vehicles, machinery and equipment for companies, as well as chemicals. Kyrgyz exports, both in Europe and in Germany in particular, are quite modest in volume. This is mainly agricultural products and natural products, such as metal," the ambassador said.

She noted that, for example, supply of nut products could be a good start. "But the problem is that Europe has rather high standards to which manufacturers of the KR may not always match. In this context, the accession of the Kyrgyz Republic to the Customs Union and the future accession to the Eurasian Economic Union allow citizens of Kyrgyzstan to bring the quality of their products to the standards that are very close to Europe's," Gudrun Srega added.

Visit of the Kyrgyz President Almazbek Atambayev to Germany is expected on April 1, 2015.

Fuente:24 kg



### **India, Kyrgyzstan sign MoU on textile sector cooperation**

The government of India and the Central Asian Republic of Kyrgyzstan have signed a memorandum of understanding (MoU) on cooperation in the textiles sector.

The MoU seeks to strengthen bilateral cooperation in three fields: textiles and clothing, silk and sericulture, and fashion.

The MoU aims at increasing cooperation in development of trade, economic and investment relations; techno-commercial collaboration, and joint trade missions; stimulation of investment cooperation, such as joint ventures, industrial cooperation, marketing, leasing and management; mutual assistance in R&D, technical collaboration in product development and manufacturing, testing and certification; and mutual assistance in skill development, training and retraining of personnel, carrying out of joint scientific, industrial and other meetings and exchanges.

The MoU also envisages cooperation in export promotion; facilitating of participation of business delegations, exhibitors and buyers of each other in the trade exhibitions, buyers sellers meets, business forums; and mutual assistance in organising visits of technical experts, specialists and scientists.

The MoU was signed by India's textiles minister Santosh Kumar Gangwar and the visiting Kyrgyzstan's minister of energy and industry Kubanychbek Turdubaev in New Delhi.

The two countries also agreed to set up a Joint Working Group (JWG) to explore details of cooperation within the scope of the MoU and the steps required to facilitate bilateral trade and investment. The JWG will be co-chaired by an official of appropriate level from the Ministry of Energy and Industry of the Kyrgyz Republic and the Indian Ministry of Textiles.

Gangwar assured the visiting Kyrgyz minister of India's cooperation in strengthening the relationship between the two countries.

Textiles currently account for 50 per cent of India's total exports to Kyrgyzstan. Turdubaev hoped that the share of textiles in India's export basket will increase, and the trade volume between the two countries will increase to US\$ 2.5 billion. (RKS).

Fuente:Fibre2Fashion



EMBAJADA  
DE ESPAÑA

OFICINA ECONÓMICA  
Y COMERCIAL DE ESPAÑA  
ALMATY

## **Japan supports WFP projects empowering rural women in Kyrgyzstan**

BISHKEK (TCA) — The United Nations World Food Programme (WFP) has welcomed a US \$490,000 contribution from the Government of Japan to support women-led businesses and smallholder women farmers in Kyrgyzstan, the WFP Bishkek office said yesterday.

WFP will use this donation to support about 2,000 vulnerable families, primarily women-headed households, with technical assistance and training to help build income-generating assets, create small businesses and strengthen their agricultural skills. Participants will also receive training in marketing, business and financial management, and nutritional awareness.

The grant is part of Japan's three-year commitment to extend women's empowerment initiatives around the world that Japanese Prime Minister Shinzo Abe made at the United Nations General Assembly in 2013. Abe emphasized his country's intention to further strengthen cooperation with the international community and assistance to create what he called "A Society in Which Women Shine".

"The Government of Japan prioritizes women's empowerment as a motor for economic growth, and we are honored to support the initiative of WFP Kyrgyz Republic to enhance the role of rural women in economic development. Besides, the Government of Japan intends to host the World Assembly for Women (WAW! Tokyo 2015) in August 2015 on the initiative of the Prime Minister Abe," said the Ambassador of Japan to the Kyrgyz Republic, Takayuki Koike.

WFP will implement the program in Kyrgyzstan's rural provinces of Naryn, Osh, Jalal-Abad, Batken, and Talas. The project aims to empower women both socially and economically as well as boost human capital by providing skills training and improved knowledge and practices related to nutrition.

"This contribution will allow WFP to continue to invest in long-term development initiatives to promote rural women's empowerment in local communities," said WFP Kyrgyz Republic Country Director Ram Saravanamuttu. "We believe that rural women are key to the success of the Kyrgyz economy, and WFP will continue to support efforts that seek to ensure rural women reach their full potential."

WFP in the Kyrgyz Republic has been implementing activities to increase income-generating opportunities for rural women since 2010. To date, more than 8,700 women-headed households have benefited from programs focusing on livelihoods and small-scale agricultural production.

Fuente:Timesca



EMBAJADA  
DE ESPAÑA

OFICINA ECONÓMICA  
Y COMERCIAL DE ESPAÑA  
ALMATY

### **Ministry of Economy of the KR: Development of trade and economic relations between Kyrgyzstan and the US is quite stable**

Bishkek, March 17 / Kabar /. Development of trade and economic relations between Kyrgyzstan and the US is quite stable. Minister of Economy of the KR Temir Sariiev said during the meeting with Richard Miles, Charge d'Affaires of the US Embassy in Kyrgyzstan on March 16.

According to the press service of the Ministry of Economy of the Kyrgyz Republic, during the meeting Sariiev informed the US side about the current economic situation in Kyrgyzstan, integration with the Eurasian Economic Union and the development of further cooperation with other states.

In turn, Mr. Miles said about the upcoming session of the Annual Bilateral Consultations in Washington DC, which will be held April 9-10, 2015, as one of the major areas to discuss a wide range of issues.

The parties also discussed the forthcoming meeting of the US-Central Asia Council on Trade and Investment.

Fuente:Kabar

### **The largest breeding company from Turkey is interested in import of meat from Kyrgyzstan**

Bishkek, March 16 / Kabar /. The largest breeding company from Turkey is interested in import of meat from Kyrgyzstan. This became known during the meeting of Minister of Agriculture and Land Reclamation of Kyrgyzstan Taalaibek Aidaraliev with the Turkish delegation headed by Dr. Yuseiyin Velioglu, representing the breeding company in Turkey.

According to the press service of the Ministry of Agriculture of the Kyrgyz Republic, Dr. Yuseiyin Velioglu says that the purpose of the Turkish delegation's visit is to meet with Minister Aidaraliev, to identify opportunities to assist Kyrgyzstan in developing livestock breeding, the identification and registration of animals, proper breeding of animals to receive the relevant meat products.

During the meeting, the head of the Turkish delegation expressed Turkey's interest in import of meat from Kyrgyzstan. He also briefly explained about the activities of state-run Turkish companies, which unite and protect the interests of 81 private firms.

In turn, T. Aidaraliev briefed the Turkish delegation about the current state of agricultural livestock in the country, as well as on the progress of international cooperation with some abroad countries. He expressed readiness to render all possible assistance in this area and recommended the Turkish side to continue to maintain a detailed discussion of livestock breeding for future cooperation with Director General of Selection and Breeding Center of the Ministry of Agriculture B. Baitemirov.

Fuente: Kabar



EMBAJADA  
DE ESPAÑA

OFICINA ECONÓMICA  
Y COMERCIAL DE ESPAÑA  
ALMATY

### **Kyrgyzstan runs into debt \$1 bln 866 mln to China**

Kyrgyzstan runs into debt \$1 billion 866 million to China, the Minister of Finance Olga Lavrova said today at a meeting of the Parliamentary Committee on Budget and Finance.

According to her, the structure of the debt includes debt to China for the construction of a paper mill in Tokmak. Factory was built at the expense of money the Export-Import Bank of China. The first tranche of 50 million yuan the KR received in 1994. It was completely used. According to the results of agreements in 2008, the debt is written off completely.

"The second part of the loan of 100 million yuan was received in 2001. Of them used 60,153 million. Part of the debt in the form of technical accrued interest, 10.2 million yuan, will be written off. Principal amount, 60.2 million will be repaid in five equal parts till June 20, 2017," Olga Lavrova said.

Tokmok paper factory was declared bankrupt in June 2014. The initiator of the bankruptcy proceedings was made by the Social Fund. Debts on factory insurance premiums amounted to about billion soms. Now there is a procedure for the valuation of assets factory for their sale and redemption of debt recovery.

Fuente: 24.kg



## Tayikistán



### **Switzerland to allocate \$9 million to Tajikistan**

By Sara Rajabova

Switzerland will allocate \$9 million to Tajikistan for the improvement of its water supply system.

As in all Central Asian states, Switzerland also supports water management in Tajikistan.

The grant agreement was signed by Abdusalom Kurbonov, Tajik finance minister and Peter Mikula, the country director of the Swiss Cooperation Office in Tajikistan, AKIpress reported.

The second phase of a water supply project will provide clean drinking water to about 140,000 people in six cities of the northern Sughd province and the city of Khorog, the capital of the Gorno Badakhshan Autonomous Region.

The total cost of the project stands at more than \$18 million. A \$9 million grant will be provided by the Swiss government and over \$9 million will be contributed by the European Bank for Reconstruction and Development.

The project includes the installation of additional connections, water meters, the purchase of operation and repair equipment, the construction of new water reservoirs, and the improvement of drainage systems.

The project is scheduled to be implemented by 2018.

The projects water resources management in Tajikistan, drinking water supply and sanitation in the Fergana Valley, and Tajikistan water supply and sanitation project (phase II) are aimed at strengthening water resources management, improving food security, reducing risks of natural disasters associated with water, and financing



the investment program to improve the health and well-being of rural population through sustainable drinking water supply and sanitation.

The total cost of the projects stands at 17.5 million Swiss francs on a grant basis: 7.4 million Swiss francs for the water resources management in Tajikistan project, 5 million Swiss francs for the drinking water supply and sanitation in the Fergana Valley project, and 5.1 million Swiss francs for the water supply and sanitation in Tajikistan (phase II) project.

Switzerland, as an important development cooperation donor country in Central Asia, enjoys very good relations with Tajikistan. Tajikistan has been a priority country for Swiss development cooperation since 1997.

Swiss entrepreneurs are involved in Tajikistan's cotton industry, among other sectors.

Fuente: AzerNews

### **Development of fruit and vegetable processing sectors in Tajikistan and Kyrgyzstan**

DUSHANBE, March 18, 2015, Asia-Plus -- The 4th capacity building session on food safety/HACCP (Hazard Analysis and Critical Control Points) and marketing in the framework of the "Development of Fruit and Vegetable (F&V) Processing Sector Tajikistan and Kyrgyzstan" project takes place in conference room of the Microfinance Educational and Development Center of Tajikistan in Dushanbe from March 24-26.

In the framework of this capacity building session the field visit to the pilot SME Aqua Juice by all training participants will be organized.

According to the Delegation of the European Union to Tajikistan, the event is organized by the National Association of Small and Medium Business of the Republic of Tajikistan (NASMB, the Project Partner) together with non-governmental organization "British Expertise" (UK, the Applicant) and the Association of Food Industry Enterprises of Kyrgyzstan (The Project Partner) with the financial support of the European Union within the Central Asia Invest (CAI) III Program.

The project is reportedly aimed at the development of small and medium enterprises (SMEs) involved in F&V processing sector in Tajikistan and Kyrgyzstan, and on strengthening the capacity of the Business Intermediate Organizations (BIOs) providing consulting services to these enterprises, in order to strengthen their positions in the national, regional and international markets.

Representatives of SMEs, consulting companies, academic and governmental institutions involved in F&V processing sector generally and in food safety control in particular take part in this capacity building program. Trainings on food safety/HACCP and marketing are carried out within this year (quarterly).

Fuente:Asia-Plus



## **Implementation of the health information system started in online mode from January 1, 2015**

DUSHANBE, March 18, 2015, Asia-Plus -- The project, Technical Assistance to Support the Strengthening of the Health Information System in Tajikistan, funded by the European Union, has provided information on project implementation at the fifth Project Steering Committee meeting, according to press release on March 17 from the Delegation of the European Union to Tajikistan.

The main project goal is reportedly to strengthen the health management system, used by the Ministry of Health and Social Protection of Population of Tajikistan, the Ministry of Justice of Tajikistan, and the Directorate of Acts of Civil State.

The DHIS 2 system has been fully adapted to perform the functions of data entry, analysis, and reporting. It has been tested and is being used nationwide for online data entry from January 1, 2015. About 1100 specialists from the Ministry of Health and Social Protection of Population of Tajikistan and the Ministry of Justice of Tajikistan have been trained in DHIS 2 system use and statistics. Three international study tours to Norway, Moldova, and India have been organized for the representatives of the Ministry of Health and Social Protection of Population of Tajikistan, the Ministry of Justice of Tajikistan, and the Agency for Statistics under the President of Tajikistan.

From January 1, 2015, the acts of civil state are entered in online mode in the Palace of Weddings and 4 Offices of Civil State Registration in Dushanbe city, and Roudaki, Shahrinav, and Hisor districts.

“Year 2015 is decisive for project implementation. In this year, for the first time, the yearly statistical health reports have been produced by the DHIS 2 system in online mode. Implementation of information system at the Offices of Civil State Registration is another important task of the project. We hope to successfully complete these tasks with the support of our partners”, said Ms, Elena Maximenco, the Project Team Leader.

The project, Technical Assistance to Support the Strengthening of the Health Information System, funded by the European Union, with a budget of EUR 3.4 million, will contribute to implementation of electronic reporting in the health care and civil registration systems at the national level. The project is implemented by EPOS Health Management (Germany) in consortium with ICON-Institute Public Sector (Germany), Oslo University (Norway), and IrfatC (Tajikistan). The project will be implemented until May 2016.

Fuente:Asia-Plus