

Minutes of

Consultation Meeting on the Future Growth Project – Wellhead Pressure Management Project, Tengizchevroil LLP

Venue: School named after Mynbayev, Bautino village, Tupkaragan Region, Mangystau Oblast

Date/Time: 13 September 2017
10:00 – 11:30

T. Altyngaliyev (Tupkaragan Region Akimat) welcomed the citizens and announced that Tengizchevroil LLP was conducting its scheduled meeting on Future Growth Project-Wellhead Pressure Management Project (FGP-WPMP). He pointed out that TCO was a large oil company which developed the Tengiz field in Atyrau Oblast. T. Altyngaliyev noted that before this meeting they met with the Akim of Tupkaragan Region who provided his comments and suggestions to TCO. He encouraged the participants to put their questions of interest and share their opinion. Then he gave the floor to R. Artygaliev.

R. Artygaliev (TCO) welcomed the Bautino village residents. He announced that the consultation meeting objective was to provide the updates on FGP-WPMP work progress and hear the public opinion about TCO and the project. He noted that the meeting was not a public hearing. It was explained that following the presentation on the Project the Q & A session would take place and if participants of the meeting wanted to ask questions in written they might use a special form which was readily available to everybody. At any later date if there were questions it was advised to contact TCO using contact details which were presented to the attention of the consultation meeting participants in handouts. Then R. Artygaliev introduced Adam Adilet, Mangystau Oblast Community Liaison Officer, and noted that he was responsible for regular interface with the local population.

Then in line with the agenda Aidar Dosbayev, Deputy Project Director, made a presentation about TCO and FGP-WPMP.

Further on R. Artygaliev provided information regarding the action items from the previous meeting. It was told that responses to the questions and comments submitted by the meeting participants had been provided after the meeting. The only pending issue was ERSAIcompany personnel employment process.

R. Artygaliev informed the meeting participants that due to the effective collaboration of TCO with the RoK Ministry of Labour and Social Protection of Population it was decided that TCO FGP-WPMP contractors and subcontractors would utilize the unified web-portal ENBEK.kz for job vacancies posting and workforce sourcing. The registration on the web-portal is free of charge. Not only TCO contracting companies' vacancies would be available there, but any vacancies throughout the

country. Around 4,000 open vacancies had been posted on the portal so far. R. Artygaliev noted that the major portion of FGP-WPMP jobs would be created by contracting companies. During the current year TCO organized three forums which were attended by potential contractors and information about the web-portal was communicated to all participants. Then R. Artygaliev pointed out that there was a meeting with Tupkaragan Region Akim where the issue of vessels servicing options and many other questions were discussed, TCO would review them and provide responses.

R. Artygaliev mentioned that 4 major construction contracts undergoing bid proposals review would be awarded later this year or early next year. Once the bids were completed, job positions would be opened for construction crafts. Ensuring Kazakhstani Content in manpower, goods, works and services was the major requirement included in these contracts terms.

Then Q&A Session had started.

A. Tleumaganbetov (Maslikhat Deputy): Thanks to TCO for organizing this meeting with Tupkaragan citizens and briefing them on FGP-WPMP project. Wish you success in execution of the project. You provided us with information on the hiring process and the existing ENBEK.kz web-portal. Most of the young people may not meet the high qualification requirements of respective disciplines. Also, not all people may have access to web-portal ENBEK.kz, as not everyone has access to computers. I suggest that TCO should request contracting companies to conduct similar meetings or job fairs where the upcoming scopes of work, employment plans, number of open positions will be communicated. And the second question – according to the President’s policy the program “Tugan zherge tagzym” is being implemented. What activities will be conducted by TCO in this respect? For instance, there is no sport complex in our village. Can TCO assist with this? The design documentation is available.

R. Artygaliev (TCO): Regarding your first question – oblast departments for employment and social programs are working closely with TCO contractors. A job fair was held by Atyrau Oblast Akimat. The Akimat representatives had contacted TCO with the request to engage contracting companies to this event. Another job fair was conducted by Zhylyoi Region Akimat where citizens from Borankul village, Mangystau Oblast, were invited at TCO’s request. As for the second question, TCO carries out social programs in Atyrau Oblast. Currently 14 projects are ongoing, among them construction of schools, kindergartens, etc. We will review your request and let you know about the decision.

K. Zholdasbayev (TCO): A job fair for Mangystau Oblast residents was organized in Aktau city this May. The local companies participated in the event.

K. Bokembayev: 5 or 6 years ago ‘NK’ company arranged training for around 15 people on specialities “ship captain” and “mechanical worker” in Astrakhan and Rostov. Now half of these people are unemployed. Do you have any employment possibilities in these specialities?

R. Artygaliev (TCO): Transportation services for TCO is provided by a contracting company. This year one module carrying vessel (MCV) was launched in Vietnam and the other one in Romania. Total number of vessels to be built is 20, of which 3 will be transferred to KMTF. (*Map of cargo transportation route via Caspian Sea was shown on the screen*). The same question has already been raised during the meeting with Tupkaragan Region Akim. TCO will look into this issue.

Zh. Abilsheeva: I propose to conduct a workshop for citizens in our region and ask TCO to provide information on specialties required for the company.

K. Zholdasbayev (TCO): Unfortunately, nowadays certification is not available for marine specialties in Kazakhstan. That's why our specialists are trained and certified in neighbouring countries, for example, in Russia.

R. Artygaliev (TCO): Navy Academy was established by TCO in cooperation with the Government about 3 - 4 years ago. The only problem here is that Kazakhstan is not added in "white list". Presently we are working jointly with the Transportation Committee on adding Kazakhstan in "white list". The Navy Academy graduates will be able to get an international certificate and work anywhere in the world provided that our country is included in this list.

Zh. Abilsheeva: I've already raised the concerns on absence of educational institutions for marine specialties in Kazakhstan during the round table session at Abai University.

R. Artygaliev (TCO): Educational institutions are not opened in Kazakhstan because our country is not in "white list". The Navy Academy cadets are registered in Oman until the issue is resolved.

T. Altyngaliyev (Tupkaragan Region Akimat): According to the RoK Labour Code we are not allowed to divide the citizens by regions. Contracting companies were requested to post their open vacancies on ENBEK.kz web-portal. Personnel recruitment is carried out on a competitive basis. Candidates from all regions are invited to the interviews, invitations are sent to those who meet the open position requirements. I urge you to start utilizing the web-portal. Should there be any registration issues, please, feel free to contact us, the local Akimat, for support. ERSAl is engaged in steel structures fabrication for TCO and KCOI is a subcontractor. There is another company - Van Oord - that is operating in Prorva. At the moment, its scope of work is mostly completed and around 300 people are expected to be demobilized, many of them are our region residents. Our Akim asked TCO to look into employment opportunities for these workers. There are quays in Bautino village and the issue we are working on is whether these quays can be used by the project, there's also an option of vessels servicing and repairing services and etc., this may result in creation of jobs for the Bautino village residents. In the course of Kashagan project execution the decision was made to construct an industrial base on the Bautino village area and relocate the residents. This is the reason why the village infrastructure has not been upgraded, and neither a house of culture, nor a sports centre has ever been constructed. At some time in future an industrial base will probably be constructed in the village area since Kashagan is a promising project. Approximately in 2020s the project development works will continue and large scopes will be available within the village.

D. Mendikhanov (Bautino village Akimat): During the previous meeting you stated that steel structure fabrication yards will be launched: one in ERSAl and the second one in Bautino. And after this I collected about 90 resumes. The residents asked me about these yards. Could you please provide information on this?

R. Artygaliev (TCO): TCO steel structures scope is performed by ERSAl and the second company is KCOI. The original plan was to allocate this scope of work to ERSAl only. Then the decision was

made to involve KCOI, that allowed us to increase the steel structures scope for onshore fabrication from 44,000 to 52,000 tons.

K. Zholdasbayev (TCO): Over 1,018 citizens of Mangystau Oblast, including more than 500 residents of Karakiya region, are employed by ERSAl company. Approximately 2,500 residents of Mangystau Oblast are working for FGP-WPMP project in Tengiz and Prorva sites as well as in ERSAl company. KCOI has commenced FGP-WPMP scope of work which involves over 300 people. I would like to point out that Mangystau Oblast citizens have the opportunity to be employed not only in their region, but in Atyrau Oblast as well.

R. Artygaliev (TCO): My message to the young people – you should be flexible in employment issues, do not just rely on Akimat's support, labour market is quite different nowadays. Companies start the projects, they employ the workforce, and when the project is completed you have to look into job opportunities in other projects. Entities do not give any guarantees of employment for 30 or 40 years.

R. Otesinova: Is TCO a state-owned company or a private one?

R. Artygaliev (TCO): Current partners in TCO LLP include Chevron - 50%, NC KazMunaiGas JSC - 20%, ExxonMobil Kazakhstan Ventures Inc. - 25% and LukArco - 5%.

A. Rzambekova: FGP-WPMP project offers great opportunities to Kazakhstani citizens. And in Fort-Shevchenko and Bautino men have little chance to get a job. My husband works for 'Van Oord' and he has only one last shift to work. I want to know the exact timeframe when resumes can be submitted for the project and what specialties will be required? Will there be any open vacancies in Bautino village?

R. Artygaliev (TCO): As it was stated you may register on ENBEK.kz web-portal, where all required information on open vacancies is available. In case of any problems, you can contact Akimat for support.

T. Altyngaliyev (Tupkaragan Region Akimat): On TCO's instruction the contracting companies post all open vacancies on ENBEK.kz web portal, information is available throughout the country. Akimats cannot dictate terms or instruct companies regarding hiring issues, as this is considered to be a corrupt practice. You should meet the requirements of open vacancies. Akimat can offer support in registration on web-portal or assist with translation of resumes.

T. Altyngaliyev thanked TCO for arranging the meeting and the information provided.

R. Artygaliev thanked Akimat for support in conducting the meeting and informed that consultation meetings with the community would be held every year until the completion of the project.

Summary of the issues

Based on the Consultation Meeting and the questions submitted by the Question Forms following is the summary of the issues / questions raised by Bautino residents:

- Employment;
- Training
- Social projects.