

Minutes of

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

Venue: House of Culture, Kuryk village, Karakiya Region, Mangystau Oblast

Date/Time: 12 September 2017

16:00 pm - 17:30 pm

E. Kumiskaliyev, Deputy Akim of Karakiya Region, welcomed the residents of Kuryk village and announced that the meeting purpose was to familiarize the community with the information on the Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP) of Tengizchevroil LLP (TCO). Then he gave the floor to R. Artygaliev.

R. Artygaliev (TCO) told that the objective of the consultation meeting was to provide the updates on TCO 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 writing 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.

Regarding the action items from the previous meeting R. Artygaliev mentioned that responses to the submitted questions and comments had been provided after the meeting. The only open issue related to personnel employment process would be addressed following the presentation.

Then in line with the agenda, the floor was given to Aidar Dosbayev, Deputy Project Director, who delivered the presentation on TCO and FGP-WPMP.

Further on R. Artygaliev informed that currently 1,018 residents of Mangystau Oblast were employed in ERSAL company, of which 524 were from Karakiya Region.

R. Artygaliev also responded to the open question from the last meeting: *“Review ERSAL company internal employment and training process. Provide the information to Mangystau Oblast community during the next meeting”*. He informed that there was a meeting with the Akim of Karakiya region where the Akim noted that Karakiya region residents got familiar with ERSAL company hiring and training process.

Then Q&A session was conducted.

E. Kumiskaliyev (Karakiya Region Akimat): TCO is a large oil company which develops the Tengiz field in Atyrau Oblast. As it was mentioned in the presentation the company produces 27 million tonnes of oil per year. Currently the new expansion project is being implemented. The project steel structures fabrication scope involves ERSAl and KCOI companies. Our region citizens are employed by the project. As you know over 500 residents of our region are working for ERSAl company. To date 88 people are undertaking the training, of which 33 have already completed the training for welders. They are being successively employed. The number of employed people is ramping up. We'll continue to work on employment and training issues next year as well. The country's economy growth depends on oil and gas industry. We wish TCO success in FGP-WPMP project execution. Now I encourage you to ask your questions about TCO and the project activities, the meeting discussions will be captured in the Minutes of Meeting to be submitted to the company management for review.

A. Bishenov: We request TCO's assistance in construction of an asphalt road in the village. Kuryk is a centre of the region and there are no asphalt roads. Please assist with construction of an asphalt road from ERSAl Industrial Base to the ferry. Why the local citizens are not employed, other city residents are being hired?

R. Artygaliev (TCO): TCO operates in Atyrau Oblast and its social projects and programs are also implemented within this region. We'll discuss your request and inform you on the decision taken. In the early stages of the project Mangystau Oblast Akimat has instructed TCO to enhance structural steel production capacities. The original scope of structural steel envisaged for fabrication in Mangystau Oblast amounted to 44,000 tons. Presently it makes 52,000 tons. Addressing unemployment issues is not TCO's field of activity. TCO and the RoK Ministry of Labour and Social Protection of Population have come to the agreement that FGP-WPMP contractors and subcontractors will utilize the unified ENBEK.kz web-portal for posting information on vacancies and manpower sourcing. Currently bid proposals for 4 contracts are being reviewed. Later this year or early next year these contracts will be awarded and major construction works in Tengiz will commence. To date over 4,000 vacancies have been posted on ENBEK.kz portal. Each of you can register your resume and apply for the suitable vacancy. Major portion of jobs will be in Tengiz field with a rotational schedule of work. TCO instructed all contracting companies to post open vacancies through ENBEK.kz portal. Our goal is to provide a transparent information related to job vacancies on the project. The web-portal launching has been closely coordinated with the Employment and Social Programs Departments for Atyrau, Mangystau, Aktobe, Western Kazakhstani and Kyzylorda oblasts. I kindly ask you to communicate the information on this portal to unemployed citizens of the region.

E. Kumiskaliyev (Karakiya Region Akimat): Dear citizens, as it was said, around 4,000 job vacancies have been posted on ENBEK.kz portal by TCO contractors. You are kindly requested to register on the web-portal. And as for our craft workers, they should meet the qualification requirements. I instruct the Department of Employment and Social Programs to review the web-portal, survey the open job vacancies, collect and register resumes of unemployed citizens registered with employment offices. As it was mentioned the project construction phase assumes creation of many jobs and we should be prepared to this, we need to train our craft workers. This will require considerable expenses, Akimat will deal with this issue.

N. Makhmudova: In 2007, the Akimat of the region opened the Arts school. We've made a great progress over the last years and travelled abroad. We participated in many regional and international

competitions, and became prize-winners. At present the Arts school occupies eight rooms in the secondary gymnasium of Kuryk village and can accommodate a small number of pupils. We receive a lot of applications from parents, but as we do not have our own building, we have to restrict the number of pupils. In view of this we appreciate if you consider construction of a building for the Arts school.

E. Kumiskaliyev (Karakiya Region Akimat): This issue has been raised many times during the previous meetings of the Akimat with the community. We ask TCO to consider this request from our residents.

R. Artygaliev (TCO): Every entity takes social responsibilities for the area of its operation. And as we've already mentioned, TCO implements social projects in Atyrau Oblast. This year TCO is carrying out 14 projects, including schools, kindergartens, etc. Your request will be reviewed and feedback provided.

K. Zhumbitov: You told that around 500 citizens of Kuryk have been employed by ERSAl company. Could you please clarify the project execution timeframe? May it so happen that upon its completion a lot of people will find themselves out of work?

R. Artygaliev (TCO): We commenced works at the ERSAl fabrication yard last October. The project completion is planned by 2020-2021. First oil is expected in 2021. The FGP-WPMP scope at ERSAl yard will start reducing in approximately 2019. Then module installation works will commence at Tengiz site. So, craft workers need to pay attention to that scope of work. Project is a project, it commences and ends up. 23,000 people are so far engaged by the project and this figure will grow. Follow updates on ENBEK.kz web-portal.

E. Kumiskaliyev (Karakiya Region Akimat): Dear citizens, you should understand that labour market has changed nowadays. Entities cannot guarantee your employment for 30-40 years. There are projects or scopes which execution requires employment of workforce. Upon completion of the current scopes ERSAl may be engaged in other projects, or there might be projects of other companies. Our craft labour should be flexible to changes. Permanent jobs can be found only in Akimats, schools, police and other state-funded organizations.

A. Kadrallyeva: My son looked for a job and could find it in Atyrau oil refinery. I need to move to Atyrau now.

R. Artygaliev (TCO): During the previous meetings you stated that ERSAl company hired citizens from other regions. People are seeking for any opportunity to be employed. And as you told your son was hired in Atyrau Oblast. I would like to note that TCO is not an owner of ENBEK.kz web-portal. Many other companies across the country do utilize this portal.

R. Artygaliev thanked everyone for participation and told that consultation meetings with the community would be facilitated every year until the completion of the project.

E. Kumiskaliyev thanked TCO for conducting the meeting and the citizens for participation.

Summary of the issues

Based on the Consultation Meeting following is the summary of questions and issues raised by the meeting participants in Kuryk:

- Employment;
- Social projects.