



KAZAKH INVEST  
NATIONAL COMPANY

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# RES development & Investment support in the Republic of Kazakhstan

# KAZAKH INVEST

## NATIONAL COMPANY



**Single negotiator**  
on behalf of the  
Government



**“One-stop shop”**  
for investors in  
Kazakhstan



**Trusted experts**  
with local knowledge and  
industry expertise



**Network of  
representatives**  
abroad and in all regions of  
Kazakhstan

# Information



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SQUARE	<b>2 717 000 sq.km. (9<sup>th</sup> in the world)</b>
POPULATION	<b>18 917 ths. people</b>
GDP*	<b>\$169,8 bln. USD</b>
AVAILABLE CAPACITY	<b>22 GWt</b>
ENERGY PRODUCTION	<b>108 bln. kW/h</b>
ENERGY CONSUMPTION	<b>107,3 bln. kW/h</b>
LENGTH OF THE NATIONAL ELECTRIC GRID	<b>25 000 sq.km.</b>

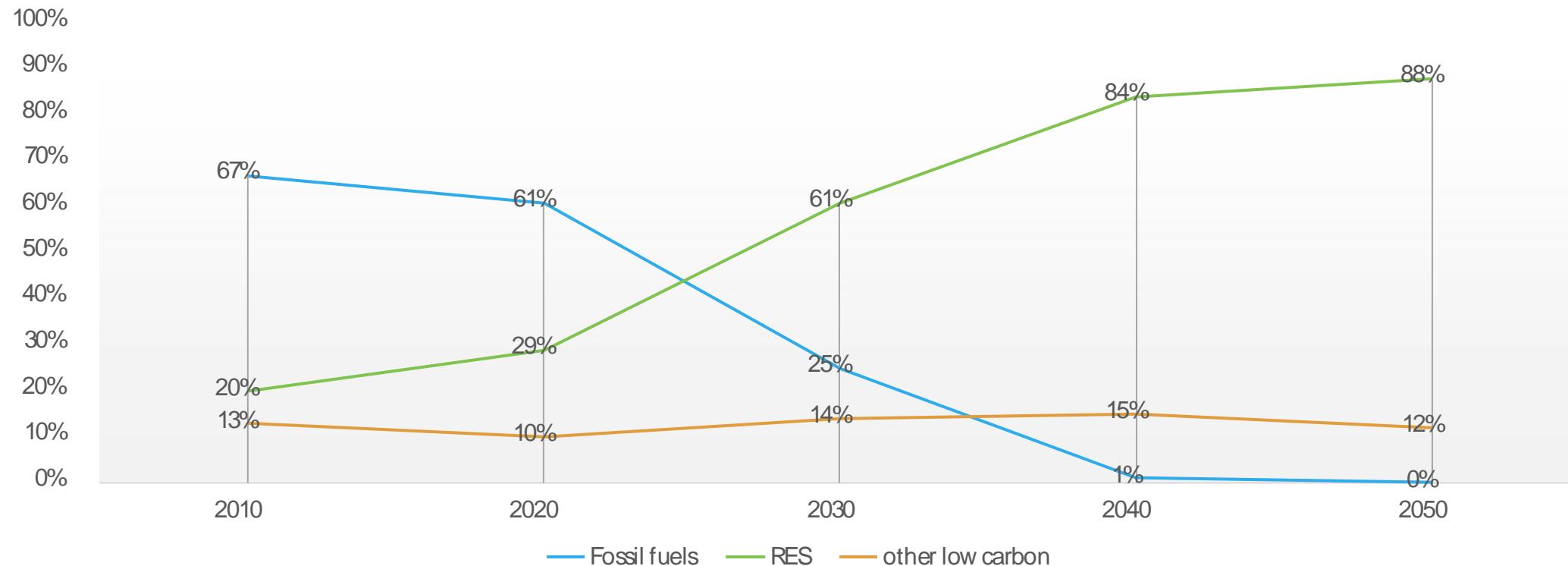
*\*Data provided by Agency for Strategic planning and reforms of the Republic of Kazakhstan Bureau of National statistics, 2020*

# Global trends for RES developments



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## Energy generation in total energy use



\*Data provided by International Energy Agency

# Indicators to decrease CO2 emissions in Kazakhstan

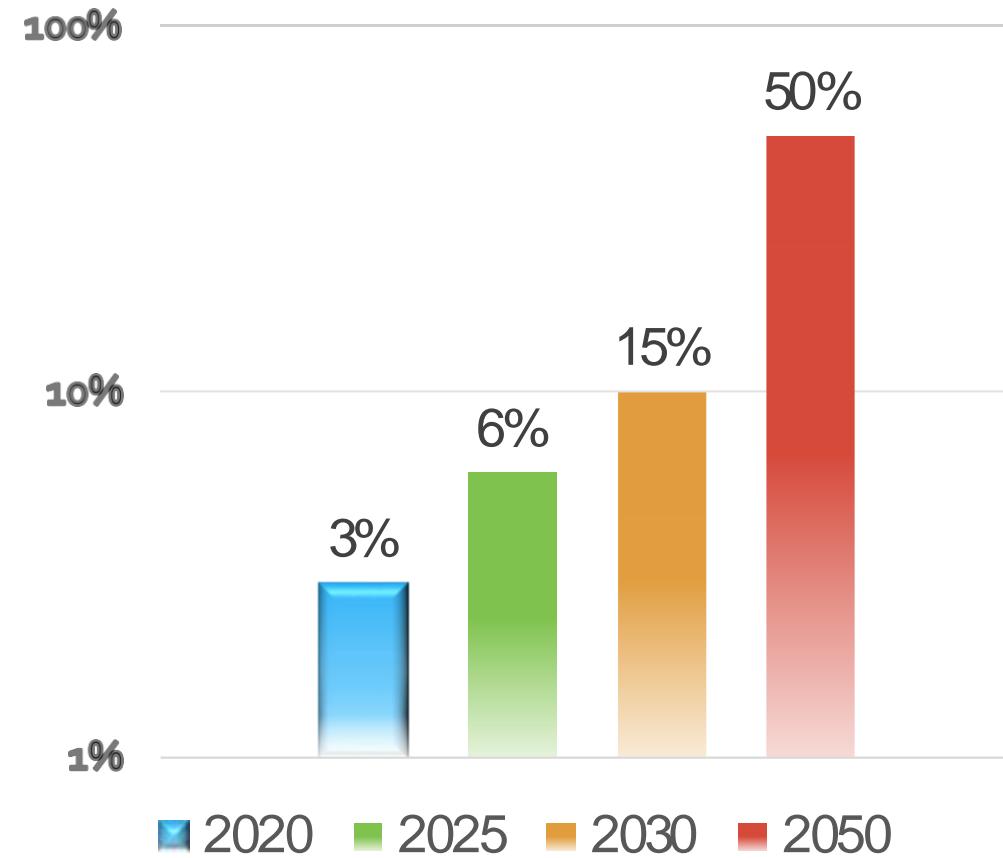
**Strategy “Kazakhstan 2050”**

**Concept of transition to “Green economy”**

**Paris agreement:**

Set a target to reduce greenhouse gas (GHG) emissions by 15% below 1990 levels by 2030

**KEY INDICATORS FOR RES DEVELOPMENT:**



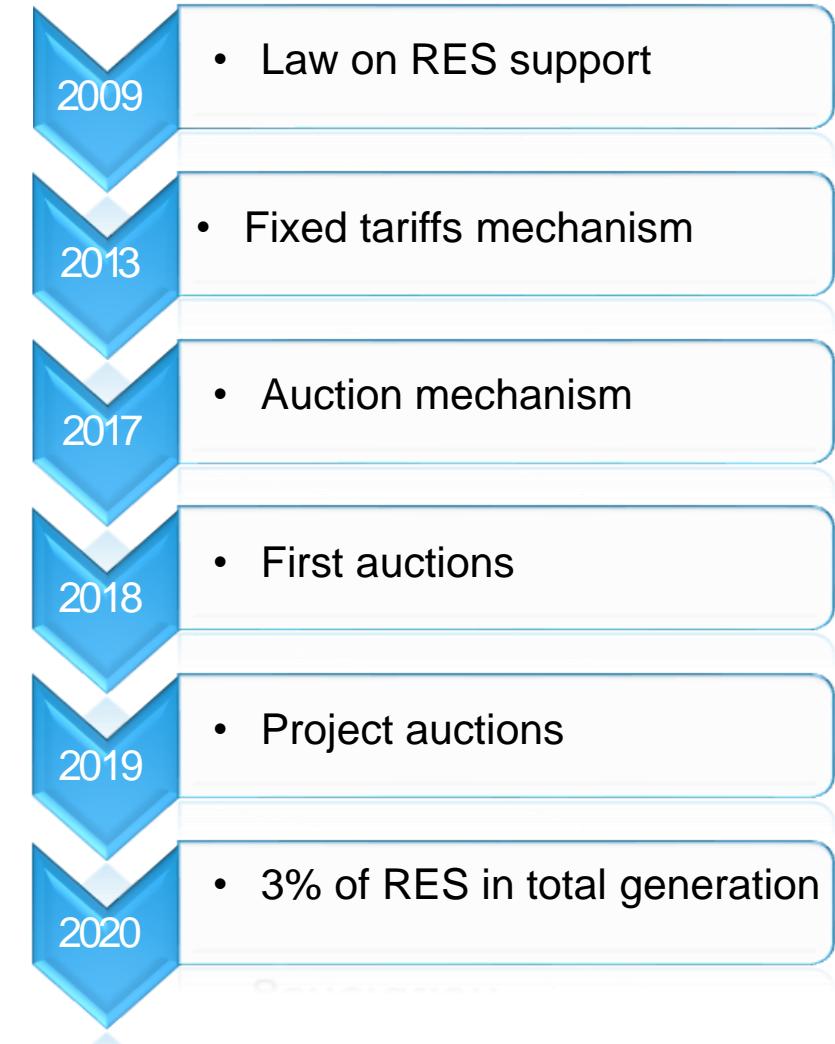
# RES development



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## Potential of RES in Kazakhstan:

- wind energy is 920 billion kWh/year
- solar energy – 2,5 bln. kWh /year
- hydro potential-62 billion kWh/year
- thermal potential of geothermal waters is 4.3 GW



# RENEWABLE ENERGY SOURCES support

The winner of the auction gets the right to:

- Guaranteed purchase of electricity for a period of 20 years
- Annual tariff indexation after a year of operation of the plant: 70% - exchange rate of the national currency to convertible currencies, 30%-CPI
- Priority dispatching
- Exemption from payment for services of electric grid companies

Feed-in tariffs for RES in 2020:

- Wind PP - 21.69 KZT/kWh (\$5,1 USD cents)
- Solar PP – 16.97 KZT/kWh (\$4,0 USD cents)
- HPP – 15.48 KZT/kWh (\$3,6 USD cents)
- Biogas PP - 32.15 KZT/kWh (\$7,5 USD cents)

# State investment support for RES

	<b>Investment</b>	<b>Investment priority</b>
Exemption from customs duties on imports	+	+
State in-kind grant	+	+
VAT free import	+	
Tax benefits (corporate income tax for 10 years)		+
Exemption from land tax for 10 years		+
Exemption from property tax for 8 years		+
Stability of legislation in the field of taxation and employment of the population in terms of attracting foreign labor		+

# Auction results

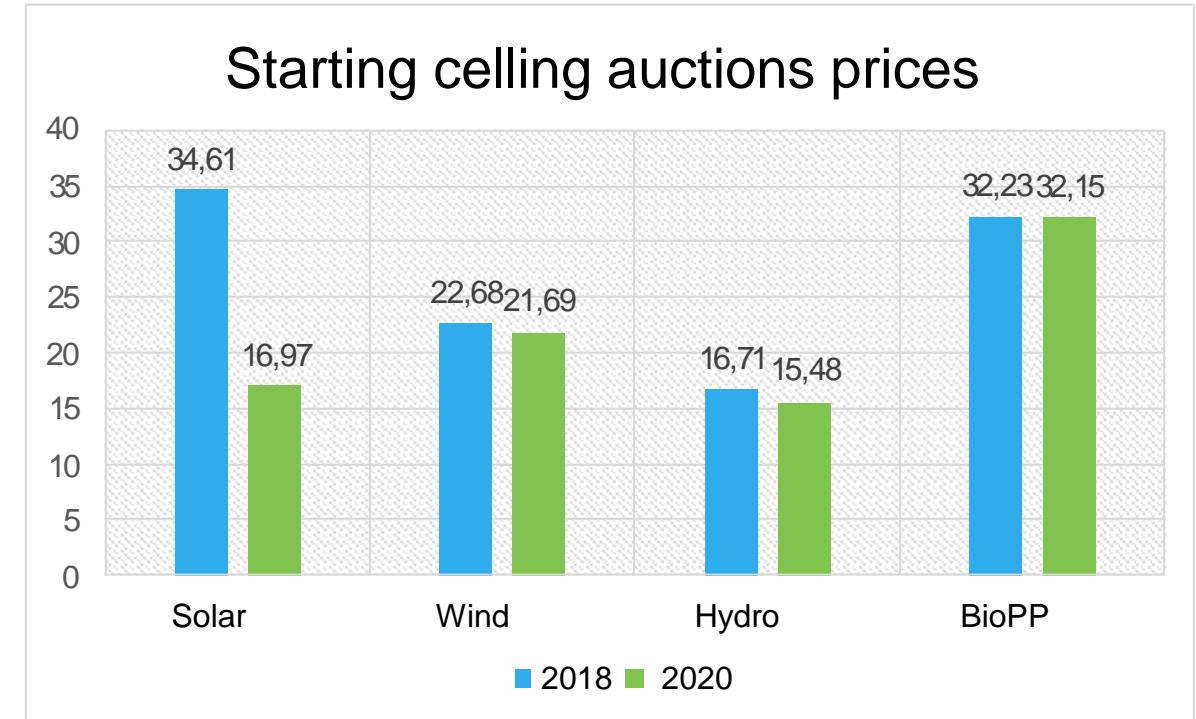
2014

Capacity – 178 MWt  
RES stations - 26

- PPA for 15 years signed by 58 companies
- Number of participants 172 from 12 countries
- Number of auctions 25

As of 2021

Capacity - 1705 MWt  
RES stations - 117  
*In 2021 it is planned -23 RES (381,1 MWt)*

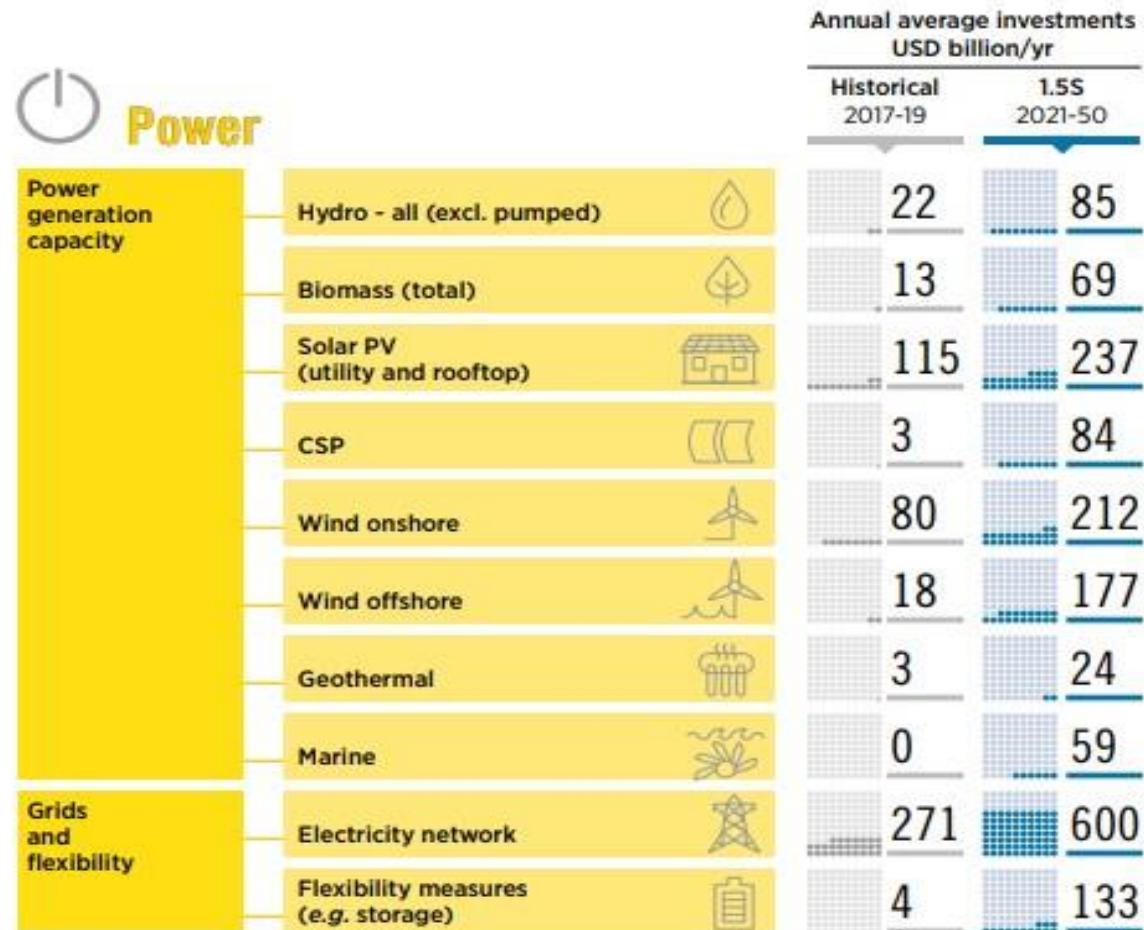


*\*Data provided by Kazakhstan electricity and power market operator*

# Further steps to consider

Energy transition annual average investments, USD billion per year, 1.5°C Scenario

- Hydrogen/“green” hydrogen development
- Energy storage
- HPP program development
- Balancing capacities development
- Low-scale RES development for SME
- Energy efficiency development
- Improvement of legislative framework



\*Data provided by IRENA World Energy Transitions Outlook 2021

# KAZAKH INVEST support



- selection of the investment opportunities and local partners for investment projects implementation;
- targeting of foreign investors/strategic partners for participation in investment projects in energy sector (including participation on RES actions), by conducting consultations, seminars for potential investors interested in the sector;
- support in deal structuring, project implementation, conclusion of investment contracts for obtaining of investment preferences;
- collaboration with local and government authorities.



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# Thank you!

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