

KARACHAGANAK PETROLEUM OPERATING B.V

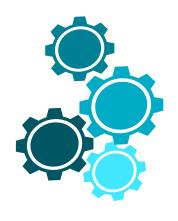


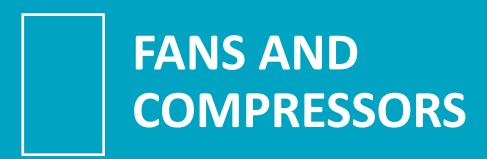
DISCLAIMER

The information contained in these slides is made available for consideration. It represents KPO's preliminary description of the company's demands as presently envisaged, but KPO reserves the right to change this information in the course of planning and implementing the projects, and KPO cannot be held responsible for any loss, damage or expense arising from reliance on this information. The information will not form part of any agreement between KPO and contractors participating in the workshop.

Today's engagement is one of many steps which KPO and its stakeholders are taking to develop local content.









FAN OVERVIEW





Purpose:

- Cooling fans is to blow cold air and drive hot air out of the environment.
- The main benefit of using air cooler is the elimination of an auxiliary water supply

Fundamental Components:

- Motor
- Rotor shaft
- Impeller blades
- Pulleys and Belt/Gearbox
- Bearings

Various Accessories:

- Vibration switches/sensors
- Lovers (manual or automatic)

Configurations:

- Forced type fans located below bundles
- Induced type fans located above bundles



FANS MAINTENANCE STRATEGY

280 Fans are installed over KPO Facilities, cooling process and auxiliary fluids

PM

6 Months preventive maintenance inspection is conducted:

- Visual inspection
- Greasing
- Belt tensioning

Mode

Failure Frequent Failures:

- Belts
- High Vibration
- Pulley



COMPRESSORS OVERVIEW



Centrifugal Compressors (API 617)

Working Principle: Uses a rotating impeller to accelerate gas, which is then diffused to increase pressure.

Fundamental Components: Impeller, Seals, shaft, bearing and etc.



Reciprocating Compressors (API 618)

Working Principle: Uses pistons driven by a crankshaft to compress gas in a cylinder.

Fundamental Components: Cylinder, Piston, Crankshaft etc.



CENTRIFUGAL COMPRESSORS

Service	Manufacturer	Pressure output	Speed
Acid Gas Compressor	BORSIG (MAN Turbo)	102.6 Bar	14530 RPM
Flash Gas Compressor	MAN Turbo	49 Bar	14604 RPM
Sour Gas Compressor	MAN Turbo	81 Bar	14604 RPM
Reinjection Compressor	Nuovo Pignone	430 Bar	11370 RPM

PM

3 Year Minor inspection:

Alignment check Bearing Inspection DGS inspection

6 Year Major inspection:

Alignment check
Bearing Inspection
DGS inspection
Rotor inspection
Diaphragm inspection



RECIPROCATING COMPRESSORS

Service	Manufacturer	Pressure output
Flash Gas Compressor	KNOX WESTERN	83 Bar
Flash Gas Compressor	HAUG	48 Bar

PM

12M Refurbishment of Cylinder Valves:

Replacement of soft parts
Spring inpsection

12M Refurbishment of pressure and wiper packings:

Inspection of Piston and Rider rings
Pressure packings and Oil Wiper Packing replacement



OVERVIEW OF IMB CENTER'S ACTIVITIES

KPO TECHNICAL WEBINAR ON COMPRESSORS





SCOPE OF ACTIVITIES

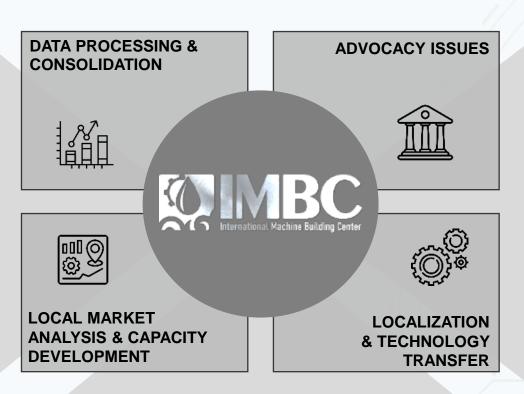
MAJOR OPERATORS

CONSOLIDATION OF EFFORTS
PROVISION OF QUANTITATIVE AND
TECHNICAL DATA











GOVERNMENT

FACILITATION AND STIMULATION PREFERENCES & SUBSIDIES



MACHINE BUILDING INDUSTRY

CAPACITY DEVELOPMENT, INTERNATIONAL STANDARDS, TECHNOLOGY TRANSFER



MBC COMMODITIES OF INTEREST

In our analyses of demands and identifying localization priorities, we utilize the FPAL coding system

FPAL Commodity Codes

1.01
Drilling Equipment

1.02 Material and Product Handling Equipment

2.99
Other Products / Equipment and Materials

Commodity Group A	Commodity Group B	Commodity Group C	Commodity Group D
1.09 Electrical Equipment and Materials	1.04 Pumps and Seals	1.02 Material and Product Handling Equipment	1.03 Compressors / Expanders / Blowers and Accessories
1.10 Instrumentation / Process Control Equipment / Materials	1.11 Process Filters	1.07 Heat Exchangers / Heat Transfer Equipment	1.05 Drives and Accessories
2.02 Valves and Accessories	1.12 HVAC	1.16 Firefighting Equipment	2.03 Steel / Metal Materials
	2.01 Line pipe	2.07 Chemical / Oils / Paints	2.11 Workshop and Handtools
		2.08 Insulation / Refractory Materials	

Procurement in above commodity groups accounts for **over 75% of all procurement of goods** by three Operators **

^{*} According to the statistical data of Situational-analytical center of the Fuel and Energy complex of the Republic of Kazakhstan



PROGRESS UNDER COMMODITY GROUPS

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			in Big Ang 18, 18			
	Commodity Group A	Commodity Group B	Commodity Group C	Commodity Group D		
Demands analysis	35 000 items analysed	55 000 items analysed	7 000 items analysed	12 000 items analysed		
High demand goods identified	22 types of goods	19 types of goods	27 types of goods	39 types of goods		
Market analysis, longlist from	more than 90	more than 100	more than 80	more than 150		
available resources	manufacturers identified	manufacturers identified	manufacturers identified	manufacturers identified		
Site surveys, manufacturers who	81 site surveys conducted	73 site surveys conducted	50 site surveys conducted	55 site surveys conducted		
expressed interest	on one our roje conductou	, o site sarroje seriausteu	50 Site Salveys conducted	oo side san voja contactica		
Shortlisting, manufacturers	23 manufacturers shortlisted	16 manufacturers shortlisted	In process	TBC		
producing types of goods with high demands	20 mandrastaroro chomistoa	To Managed Joseph Street	iii process	TBC		
Summarized Technical			la process	TDC		
Requirements	12 STRs developed	8 STRs developed	In process	TBC		
Capacity development	10 CDPs developed	4 CDPs developed	TBC	TBC		
Implementation	3 recommended manufacturers	2 recommended manufacturers	TBC	TBC		
of capacity development	Manufacturers	manada da				
	13 LC cases developed with	5 LC cases developed with	4 LC cases developed with	1 LC cases developed with		
Localization Cases	investors	investors	investors	investors		
		Recommendations to Operators 12				



DEMAND: COMPRESSORS & ACCESSORIES

COMPRESSORS & SPARES



Compressors (centrifugal, scroll, reciprocating, screw type, etc.)

144 ea



Other compressors (atomizing, mobile, zero air, hermetic, piston, refrigerant, scroll)

342 ea/asy/set



Blowers & fans (axial, centrifugal, air & heat blower) 1,628 ea/set





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The range and specificity of services for assistance in the development of the potential of manufacturers, offered by IMBC, are limited and are subject to provision on an individual basis, depending on the readiness of the manufacturer to supply their manufactured goods in line with the requirements of the Operators.

Assistance from IMBC does not oblige any retaliatory action from the potential manufacturer. The services of IMBC do not represent a guarantee of the successful participation and / or successful award of Contracts to the manufacturer in the procurement processes of the Operators.

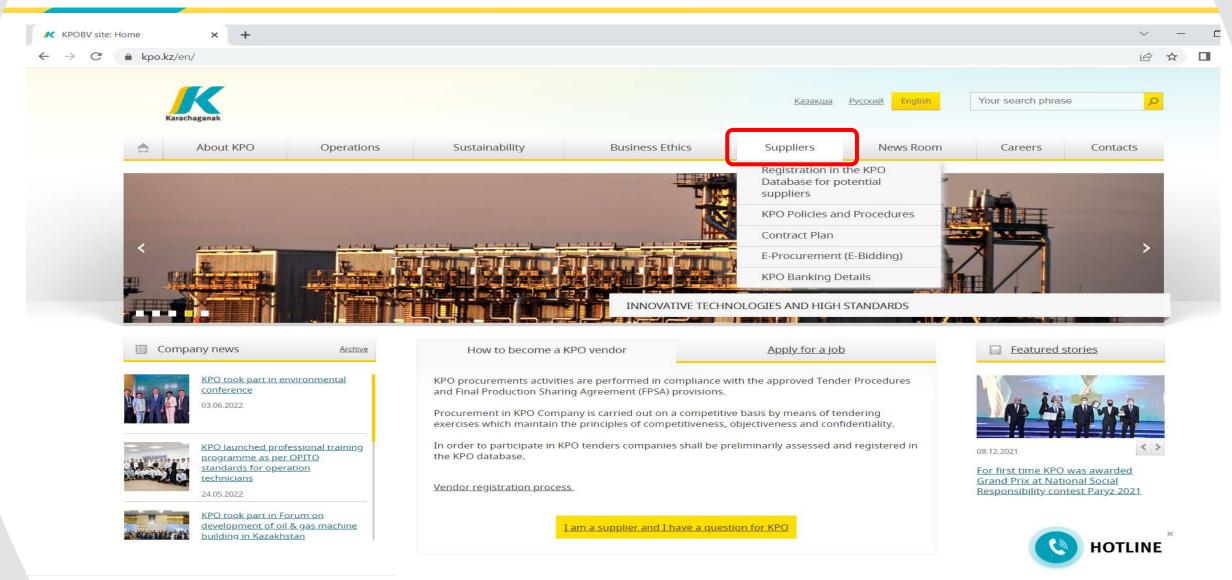








KPO SUPPLIERS DATABASE





VENDOR REGISTRATION

All potential suppliers shall be registered in KPO Database

REGISTRATION PROCESS

REGISTRATION

ETHICAL DUE DILIGENCE

Provision of information on:

- Technical Competency
- Work Experience in the declared categories of goods and / or works and / or services
- Personnel Availability
- Financial Turnover
- etc.

Define an Ethical Due Diligence level in accordance with KPO Legal requirements:

- Compliance with Kazakhstan and Foreign legislation
- Compliance with Company internal regulations
- Submission of potential suppliers shareholder lists

Vendor registration in KPO Vendor Database does not guarantee the participation in a tender or contract award, but suggests that a registered company may be considered as a market research participant for provision of goods, works and services for further pre-qualification process or tender as the need arises.



VENDOR REGISTRATION

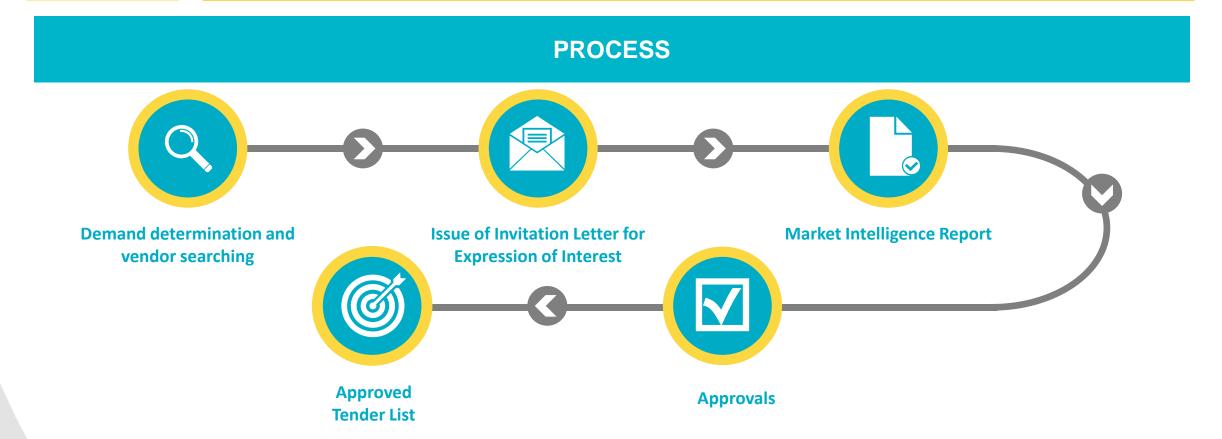
- To register in KPO Vendor Database, potential supplies shall:
 - Download a questionnaire on KPO website https://kpo.kz/ru/postavshchikam/registracija-v-baze-dannykh-postavshchikov-kpo
 - Fill in the questionnaire for the preliminary vendor assessment and indicate activity codes
 - Attach copies of required documents
 - Submit the completed pack of documents for vendor assessment and registration by e-mail at MIVQ@kpo.kz
 - Contact phone: +7 (711336) ext. 4943, 4946, 2192
- KPO encourages Suppliers to update registration data on an ongoing basis, related to:
 - Work Experience in the declared categories of goods, works, services
 - Certification, accreditation
 - Reorganization
 - Contact persons



MARKET RESEARCH

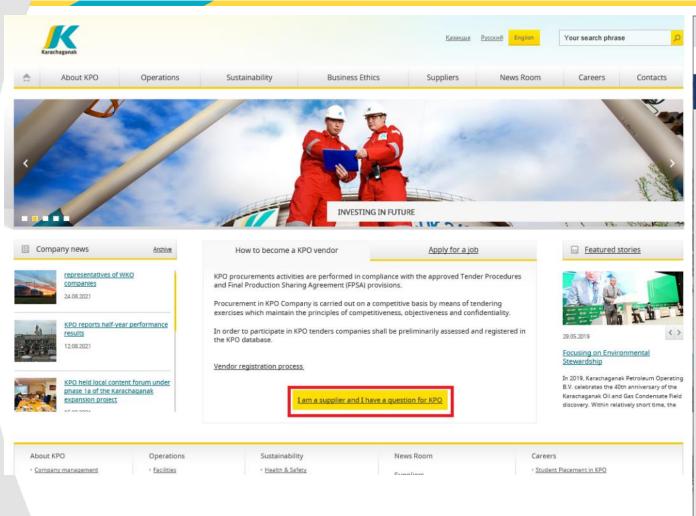
Purpose

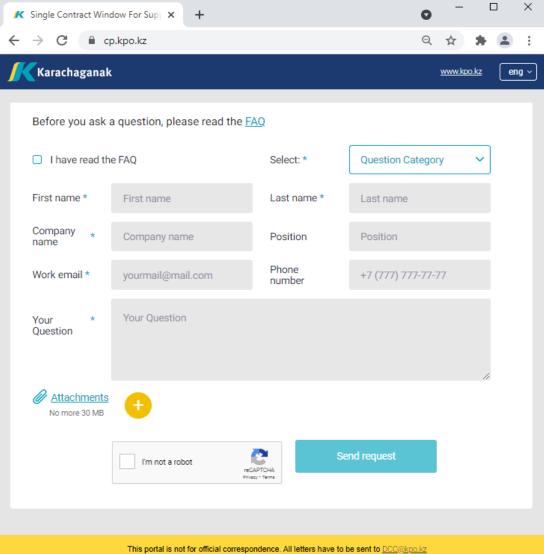
- Define potential suppliers of goods, works, services who can perform as per KPO requirements
- Ensure free competition for KPO tenders



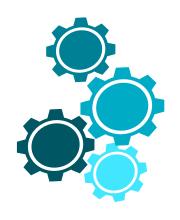


"SINGLE WINDOW" SYSTEM











Procurement Process

Asset Zhakupov

Contracts and Procurement Expert



PROCUREMENT PROCESS

KPO shall perform the procurement activities in accordance with:

- the Final Production Sharing Agreement (confidential and intended only for the use of KPO, its Shareholders and the Republic) and the Joint Operating Committee's Tender Procedures (JOC)
- current legislation
- approved budget and work program





MAXIMUM ATTENTION SHALL BE PAID TO









TENDER PACKAGES
SUBMISSION
REQUIREMENTS

TENDER PACKAGES
SUBMISSION
REQUIREMENTS THROUGH EBIDDING SYSTEM
(Link to the instructions)

INSTRUCTIONS TO TENDERERS

TENDER DUE DATE / TIME



TENDER DOCUMENTATION CONTENTS

- Cover letter
- 2. Forms, that shall be mandatorily signed, stamped and provided within timeframe specified:
 - Tender Acknowledgement and Confidentiality Agreement
 - Form of Tender
 - Certificate of Corporate Ownership and Declaration of Compliance
- 3. A package of documents related directly to the tender subject itself
- 4. Instructions to Tenderers
 - Form of Contract includes:
 - Form of Agreement
 - Schedule A General Terms and Conditions
 - Schedule B Scope of Goods/Services to be Supplied and Specifications
 - Schedule C Compensation and Payment
 - Schedule D Health, Safety and Environment (HSE) requirements
 - Schedule E Special Conditions
 - Schedule F Statement of Local Content
 - Schedule H Industrial Relations
 - Questionnaire for Tender Participants
 - List of goods and technical delivery conditions (if applicable)
- 5. Instructions for preparing a tender proposal:
 - Instructions to Tender Participants
 - Bid marking template







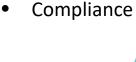
KPO General HSE requirements



KPO GENERAL HSE REQUIREMENTS

1 GENERAL PROVISIONS

- Scope
- Contractor HSE Plan



3 MINIMUM LIST OF HSE PROCEDURES FOR COMPLIANCE BY

3



- Leadership and Commitment
- HSE policy
- Planning
 - HSE Legislation
 - Risk Management
- Support
 - HSE Personnel
 - HSE Competence Requirements
 - HSE Training and Induction
 - HSE Communications
 - HSE Meetings
 - HSE Procedures











- Implementation
 - Equipment Maintenance and Inspection
 - Occupational Health and Hygiene
 - Environment
 - Road Transport Safety
 - PPE Requirements
 - Emergency Response Interaction
 - Subcontractor management
- Control and Monitoring
 - HSE Observations and Reporting
 - Incident Investigation
 - HSE Audits and Inspections
 - Safety Reporting
 - Environmental Reporting

CONTRACTOR







Local Content Mechanisms



SUPPORTING MECHANISMS FOR LOCAL COMPANIES

TRIAL ORDER





Tenders for testing a trial batch of GOODs from Kazakhstani suppliers

EARLY TENDER





Contract is concluded for the supply of GOODS with a suspensive condition or with a long-term delivery schedule

KAZAKH TENDER





Tenders exclusively among Kazakhstani Suppliers. The goal is to award contracts to Kazakhstani suppliers of GWS

CONTRACT IN **EXCHANGE** FOR INVESTMENTS (UNDER REVISION)



A contract in exchange for investment is a long-term contract concluded on a Single source basis, under which the supplier undertakes to produce goods of local origin that are the subject of a procurement contract in the territory of the Republic of Kazakhstan





Thank you!