

CONCEPT**Kazakhstan Energy Week – 2023 / XV KAZENERGY Eurasian Forum**

The Kazakhstan Energy Week - 2023 (KEW-2023) / XV KAZENERGY Eurasian Forum will be held **at the EXPO Congress Center in Astana on October 3-6, 2023.**

The event will traditionally combine **several major events** in the energy, oil and gas industry and will become the most significant one in the Central Asian region.

The XV KAZENERGY Eurasian Forum held by the KAZENERGY Association since 2006 is the main international event of the energy sector in the Caspian and Central Asian regions. The KAZENERGY Forum traditionally attracts interest from Governments of the world, international energy organizations, diplomatic missions, Kazakh and foreign energy companies, research institutes and consulting agencies. The event attracts the attention of over 2.5 thousand delegates from over 300 companies representing more than 50 countries. For many years, the Forum has been attended by guests including influential political figures and globally renowned experts.

In 2023, the Forum will be traditionally held with the support of the **Government of the Republic of Kazakhstan represented by the Ministry of Energy and the Ministry of Foreign Affairs of the Republic of Kazakhstan** and other relevant state bodies.

KEY TRENDS IN THE DEVELOPMENT OF THE INDUSTRY IN 2023**Reduction of oil production by OPEC+ countries**

In April 2023, OPEC+ countries agreed to reduce oil production by the end of the year. Kazakhstan has also joined this initiative. This means that the oil market will remain under pressure throughout 2023. Immediately after the statements about the reduction of oil production, world oil prices rose sharply. Oil-producing countries are interested in maintaining high prices and increasing their own incomes. However, this initiative may have a negative impact on the economies of oil-consuming countries. Nevertheless, OPEC+ expressed its readiness to limit the supply even further at any time.

Increased risks of recession in the global economy, including due to the energy crisis

International tension, including political tension, leads to imbalances in world markets, a slowdown in economic growth and even recessions. In 2023, the main global risks are geopolitical confrontation, trade wars, energy crisis, inflation, and social unrest. Partnership is a key and necessary factor to confront these challenges. The issue of reliability and stability of energy supplies is more important than ever.

The potential of countries not involved in the geopolitical confrontation can be revealed in a new way. These include Kazakhstan that has sufficient hydrocarbon resources and strives to develop its oil export opportunities.

Changes in the geography of energy supplies

The geopolitical confrontation in the world refocuses hydrocarbon resources from the West to the East. While economic growth is slowing down in the West, the East witnesses its recovery and growing demand for energy resources. In the Asian region, demand is supported by the lifting of quarantine in China which is reopening its economy and increasing fuel consumption.

For Kazakhstan, the diversification of oil export routes is also a priority. Now the country exports the bulk of its oil through the CPC system. However, in 2022, as instructed by the President of the Republic of Kazakhstan K.K. Tokayev, in order to diversify export corridors, the Ministry of Energy of the Republic of Kazakhstan together with stakeholders developed a Roadmap which provides for the development of the Trans-Caspian route, additional loading capacity for the northern direction through the Atyrau-Samara oil pipeline, the modernization of oil loading terminals in the Aktau Commercial Sea Port, as well as the expansion of sections of the Kazakhstan-China oil pipeline to increase oil exports to China. In April 2023, the Head of State once again set a goal to intensify work on the development of large oil and gas projects and export transport corridors.

Global underinvestment of the industry

Global underinvestment in the oil and gas industry is observed all over the world. In 2016-2019, the average volume of investments in the industry was \$450 billion, and in 2020, the year of COVID, it decreased to \$307 billion. Thus, the real figure for five years amounted to just over \$2.1 trillion – which is \$900 billion less than needed. According to experts, it may take from 3 to 5 years to compensate for the existing gap. All this negatively affects the replenishment of the resource base and requires the attention of world governments. Exploration of new hard-to-recover deposits is not yet available due to limited investment, technology, and economic recession.

Digitalization of energy

Digitalization of the industry, the use of artificial intelligence and machine learning at all stages – from design and construction to field operation – are of particular importance in the light of new economic realities. President of Kazakhstan K.K. Tokayev, the Government and the Ministry of Energy of the Republic of Kazakhstan have repeatedly pointed out that the future of energy lies with new solutions and business models. All trends that are set today will be further developed in 20 or 30 years.

Currently, Kazakhstan's energy sector is introducing innovative "smart" technologies, such as the transient monitoring and control system (WAMSWACS), digital relay protection and automation devices (RPA), the supervisory control and data acquisition system (SCADA), the automated commercial electricity metering system (ACEMS), the information system for accounting of crude oil and gas condensate (ISUN) and others. They make it possible to improve production and business processes in the sector.

Global warming pause and green initiatives

The fight against global warming has come to a pause. Despite the fact that due to the energy crisis European countries are returning to the use of coal-fired power generation, which affects the environment, long-term climate policy decisions made during the popularity of the energy transition remain in force. The issues of increasing efficiency in terms of equipment reliability, the use of new materials and technologies, as well as environmental solutions continue to affect the entire industry. In this regard, the countries of the world should continue to promote the climate and green agenda.

In Kazakhstan, the existing system of state support for the development of renewable energy, which was developed taking into account the best international practice, has been enshrined in the legislation since 2009. In 2022, 130 renewable energy facilities with an installed capacity of 2,400 MW operated in the country. In 2023, the share of RES in the energy mix will reach 5%.

Energy infrastructure development

The development of energy infrastructure facilities requires close attention from the government. For example, in Kazakhstan, the outdated energy infrastructure is working at maximum capacity, and serious accidents occur in almost all regions of the country due to high wear and tear of utility networks. To counteract this, in March 2023, the President of the Republic of Kazakhstan K.K. Tokayev called for a review of approaches to infrastructure development and adoption of a National Infrastructure Plan aimed at forming a sustainable infrastructure framework of the country, which should reflect the main problems of infrastructure development and identify key projects with the implementation period of up to 2029. This will strengthen the heat and electricity production sector.

BUSINESS PROGRAM

The business program offers the following session formats:

- Plenary;
- Joint sessions with major international organizations (WEC, WPC, UNECE, IRENA, ADB, CIS Electric Power Council, etc.);
- Ministerial session;
- Strategic sessions;
- Panel sessions (free seating in chairs, no more than three speakers);
- Round tables;
- A conversation with a top executive in the lunch meeting format;
- Energy dialogues (1-on-1 interviews with distinguished guests)
- Energy Podcast (small deep-dive sessions for industry experts);
- Thematic breakfasts (high-level breakfast with CEOs, business breakfast for TNCs, diplomatic breakfast, digital breakfast);
- Workshops for technical specialists of the industry

Kazakhstan Partner Days

The year 2023 marks the 30th anniversary of the establishment of diplomatic relations between Kazakhstan and a number of countries (Brazil, the European Union, Indonesia, Qatar, Kuwait, Slovakia, Tajikistan, Czech Republic, etc.).

Within the framework of KEW-2023, a large-scale event devoted to a unified theme "Kazakhstan Partner Days" will be organized for the **first time in Kazakhstan**. The event will be a **joint project** of the KAZENERGY Association, the Government of the Republic of Kazakhstan, governments and diplomatic missions of partner countries, as well as companies working in the energy sector of the Republic of Kazakhstan.

KEW-2023 will be a platform for **bilateral dialogues, discussions about the opportunities for expanding cooperation in the field of energy and solutions to problems**.

Presentation of energy investment projects of Kazakhstan regions on the theme: "Creating Investment Confidence"

One of the important projects of KEW-23 will be a series of presentations by Kazakhstan regions in the energy sector on the theme "**Creating Investment Confidence**". It is a relevant and **multifunctional platform** to get acquainted with the social and economic development of the regions of Kazakhstan, their unique investment opportunities, and potential projects in the energy sector to attract capital.

The presentation of investment projects in the oil, gas and energy sectors in the context of the country's regions will be organized **on a single platform for the first time** not only in Kazakhstan, but also in Central Asia and the Caspian states.

The event proposed within the framework of KEW-23 will allow **each region of the country** to expand the boundaries of the investment dialogue and unlock additional potential to attract new investors interested in financing energy projects in various regions.

In particular, Kazakhstan regions will be able to offer investors to participate in the **modernization of the network of strategic CHPs** throughout the country; projects in the **electric power industry, modern coal-fired generation, nuclear industry, including thermonuclear energy**, are also relevant.

The main **participants** of the event will be akimats of cities and regions of the country, local and foreign companies, international funds, investment companies, financial institutions and organizations, and private investors. The number of participants will be limited.

KAZENERGY EXPO Interactive Exhibition

Aim:

- A platform to demonstrate the results of the global application of cutting-edge technologies in the energy sector;
- A platform for negotiations, transfer of innovations, high-tech products and investment services, as well as their promotion in the energy market;
- A cognitive function to inform visitors about the role and importance of energy and energy resources in the life of society.

The exhibition will be held in an **unconventional format**. The exposition of modern technologies and R&D products, development institutions and innovation infrastructure will be cluster-based, **in a "spot" format**. **Communication zones** will be organized to establish and develop contacts with potential partners.

A new interactive format (virtual reality, augmented reality, artificial intelligence, blockchain) will allow guests to get more information while attending the event, and participating companies will be able to present their products as efficiently as possible.

Presentation of the new edition of the National Energy Report 2023

The presentation of the updated version of the NER-2023, which is currently being developed by the KAZENERGY Association jointly with leading international energy experts, will also be **one of the key events of KEW-2023**. In addition, the Association has initiated work to develop the **Energy Security Strategy of the Republic of Kazakhstan**, which will possibly be integrated into the NER-2023 as a special analytical section.

KEW-2023 SUB-FORUM EVENTS:

- IV Congress of Honorary Consuls
- Meeting of the Women's Energy Club
- KAZENERGY Youth Forum
- Shell and KPO Educational Contests
- GR Forum
- Trainings for industry journalists
- Capacity Building Trainings for Technical Specialists
- Seminar on Local Content Development