



OIL & GAS TRADE MISSION TO KAZAKHSTAN

**April 7-11, 2009
Atyrau, Kazakhstan**

Now is the time to investigate what the Caspian energy scene has in store for your company's exports. The United States Department of Commerce is organizing a three-day industry-specific Oil & Gas Equipment and Services Mission to the 8th North Caspian Regional Exhibition, to be held in Atyrau, April 7-11, 2009. Organized by the International Trade Administration's Energy Team and the U.S. Commercial Service office in Almaty, the mission will include representatives from a variety of U.S. firms specializing in the following product areas: offshore/onshore oil and gas drilling and production equipment; turbines, compressors and pumps for pipeline applications; measurement and process control equipment for pipeline applications; industrial automation, control and monitoring systems for refineries, gas processing and petrochemical plants, seismic processing and interpretation, petroleum software development, sulfur removal and disposal technologies, well stimulation, field abandonment services. These mission participants will be introduced to international agents, distributors, and end-users whose capabilities and services are targeted to each participant's needs. Participants will have an opportunity to meet with major international exploration & production companies and integrated service providers operating in Kazakhstan, such as Agip KCO, TengizChevroil, Halliburton, Parson Fluor Daniel, Baker Hughes, and Schlumberger. The mission will also include matchmaking with potential local partners, visiting sites of commercial interest and catalog participation in the 8th North Caspian Regional Exhibition.

COMMERCIAL SETTING

By most estimates, the Caspian states can provide up to 10% of global oil supply growth, and Kazakhstan is well positioned as the regional energy leader. With the Caspian Sea's largest recoverable crude oil reserves, accounting for approximately two-thirds of the roughly 1.8 million barrels per day (bpd) currently being produced in the region, Kazakhstan is poised to become a major near-term oil exporter. The Government of Kazakhstan and foreign investors continue to focus heavily on the hydrocarbons sector, which so far has received approximately \$35 billion in foreign direct investment and makes up over half of the country's export revenue. Existing offshore fields in the North Caspian, combined with onshore sites currently under development, have allowed oil production to reach 1.4 million bpd, with daily output expected to total 2.6 million bpd by 2015. As a result, foreign investors are increasing their focus on Kazakhstan's energy infrastructure, including energy transportation routes.

Oil industry sources estimate that Kazakhstan could eventually attract up to \$140 billion of foreign investment in its oil infrastructure. Industry experts and the U.S. Commercial Service in Almaty estimate that the current market for oil and gas field equipment and services will grow to nearly \$7 billion in 2008, and will continue growing at 15-30% annually over the next three years. Kazakhstan as yet has no experience in offshore production and operations. This experience gap offers many opportunities for U.S. service companies in rig work, support infrastructure, and environmentally sensitive technologies. The Caspian Basin's oil-bearing formations are generally quite deep (15,000 ft), under considerable pressure, and often contain a high degree of sulfur and other contaminants, making special drilling and processing equipment necessary. Additionally, U.S. oil and gas field equipment suppliers have the potential for solid growth over the next decade as new fields are brought on-stream and secondary recovery methods are introduced to mature deposits.

THE MISSION

The mission will assist representatives of American companies responsible for business activities in Eurasia with their efforts to identify profitable opportunities and new markets for their respective U.S. companies. The summary of results expected from the mission includes finding potential partners, joint venture partners, and agents & distributors, and providing market knowledge for future expansion. Mission activities will include events providing market knowledge and “how to” information from experienced firms that have been operating in the market for several years, meetings with project operators, match making with local firms that can serve as agents or distributors, networking events and participation in the Atyrau oil and gas exhibition. The cost for participation in this mission has not yet been established.

8TH NORTH CASPIAN REGIONAL EXHIBITION

The 8th North Caspian Regional Exhibition is an annual three-day exhibition that brings together over 140 international companies involved in every aspect of the oil and gas sector. The event, which in 2007 attracted over 3,500 industry specialists from more than 30 countries, can serve as an excellent vehicle for U.S. firms wishing to promote their goods and services in Kazakhstan.

For more information on the oil and gas market in Kazakhstan, please visit the following links for market research produced by the Commercial Service office in Almaty. Firms not yet registered with the www.export.gov website can register free of charge before continuing with these links.

Oil and Gas Transportation Routes: http://www.buyusainfo.net/docs/x_5061061.pdf

Offshore Oil & Gas Equipment and Services: http://www.buyusainfo.net/docs/x_2373252.pdf

Country Commercial Guide: www.buyusainfo.net/docs/x_9990950.pdf

For more information on the mission, please contact one of the following representatives from the U.S. Commercial Service office in Almaty or local U.S. Export Assistance Center (USEAC), or visit us at <http://www.buyusa.gov/kazakhstan/en/>.

CONTACT INFORMATION

Stuart Schaag, Senior Commercial Officer
Azhar Kadrzhanova, Commercial
Specialist
U.S. Commercial Service, Almaty
Tel: 7-727-250-4850
Email: Stuart.Schaag@mail.doc.gov or
Azhar.Kadrzhanova@mail.doc.gov

David Royce
Senior International Trade Specialist
North Texas USEAC
1450 Hughes Rd Suite 220
Grapevine, TX 76051
Phone: 817-310-3744; Fax: 817-310-3757
Email: david.royce@mail.doc.gov

Delilah DeSouza
International Trade Specialist/Deputy
Energy Team Leader
New Orleans USEAC
2 Canal St., #2710
New Orleans, LA 70130
Phone: 504-915-3301
Email: delilah.desouza@mail.doc.gov