

Minutes of

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

Venue: House of Culture, Borankul village, Beineu District, Mangystau Oblast

Date & Time: 27 September 2017

14:00 – 15:30

M. Turegozhin, Akim of Borankul rural district, opened a meeting and welcomed the village residents. He informed that Tengizchevroil LLP (TCO) would provide the information on the Future Growth Project - Wellhead Pressure Management Project (FGP-WPMP). Then he gave the floor to R. Artygaliev.

R. Artygaliev (TCO) welcomed the residents of Borankul village and announced a purpose of the consultation meeting that intended to provide an updated TCO FGP-WPMP progress status and to hear a public opinion on TCO and the Project. He highlighted that the meeting was not a public hearing. It was announced that a presentation would be delivered on the Project status followed by Q&A session, and if the attendees wanted to ask any questions in written, they might complete the special forms that were readily available to everybody. Should any questions have raised later, they could address those questions to the TCO contacts detailed in the handouts distributed among the attendees. Then R. Artygaliev informed that a Mangystau Community Liaison Officer had been appointed, and his contact details could be found in the handouts.

Further, in accordance with the agenda Nurtas Kenganov, FGP-WPMP Regulatory Affairs Manager, delivered the TCO and FGP-WPMP presentation.

Following the presentation, R. Artygaliev highlighted two main focus areas. First – the successful cooperation between TCO and the RoK Ministry of Labor and Social Protection of Population resulted in the decision to make all the TCO FGP-WPMP contractors and subcontractors use ENBEK.kz, a unified web portal, to post available vacant positions and source workforce. Registration in the web portal required no fees. All the RoK citizens would be able to access the vacancies data base. Owner of the unified digital Labour Employment Service ENBEK.kz was the Ministry of Labour and Social Protection of the Population. More than 4,000 FGP-WPMP vacancies were posted on the web portal so far. R. Artygaliev recommended all the attendees to get registered in the web portal. At the construction peak 20,000 jobs would be created in Kazakhstan. Considering rotational system, it meant around 30,000 - 35,000 people would be employed in the Project. To date more than 20,000 Kazakhstani employees were working onshore, that made 92% of the total Project personnel in Kazakhstan. Then R. Artygaliev told that by the end of that year and early next year 4 major contracts would be awarded, and it would mean a start of major construction activities in Tengiz, requiring labour resources. Further R. Artygaliev informed that in

August TCO had held an FGP-WPMP Job Fair in Kulsary where more than 30 TCO / FGP-WPMP contracting organizations participated. The Borankul village residents were invited to the Fair. The analysis showed that the Borankul village residents were looking for engineering jobs, but FGP-WPMP would have open vacancies in construction. It was planned to have a Job Fair in Kulsary or Atyrau, once the major contracts were awarded, and the Borankul residents would be also invited.

Second – the Cargo Offloading Facility is being constructed at Prorva, and the Project is experiencing difficulties related to the unauthorized access by local people to facility construction area for fishing. The Akim of Atyrau Oblast was informed about the situation, and the measures are now underway. The people's access to construction area will be limited since this impedes the implementation of construction works at Cargo Offloading Facility site. R. Artygaliev asked the local people to take the given information into account.

Further R. Artygaliev provided the responses on action items from the previous meeting.

Later the Q&A Session started.

Question: What activities are being funded?

R. Artygaliev (TCO): At present time, the funds are allocated for the construction of two mini-football fields. As for the construction of sports center and road, these projects are being reviewed, and a final decision will be communicated later. And as for the water line and gas pipeline construction, the Akim confirmed that the money had been allocated from the budget, and works are being carried out.

N. Ketsov: On the village edge we have a railway siding. Does it belong to TCO?

R. Artygaliev (TCO): No, it belongs to TCO contractors.

N. Ketsov: A road has been constructed, crushed stone was laid, but asphalt is required on the top of the crushed stone layer as vehicles generate dust when moving. Since children cross the road, speed humps should also be installed, and pedestrian crossings should be marked. Last year when the rail road was constructed, soil was taken from the central area of the village. Now there is a pit, and people who leave near toss their garbage into this pit. We cannot get rid of this pit. Could TCO help us to solve this problem?

R. Artygaliev (TCO): Land plots for any activities are allocated by the akimat office. As for asphalt laying, we will discuss it with the contracting companies.

M. Turegozhin (Borankul rural district akimat): 2 km road is being constructed by Kazpaco, and it will be on the balance of the akimat. The company representatives noted that the asphalt would be laid once TCO completed its scope either that year or next year. Also the company will lay asphalt on one of the village street and asked the akimat to identify that street. As agreed with this company, a dirt road will be constructed in the second aul. Kazpaco will also help us to solve the problem with garbage.

N. Ketasov: What will be unloaded at this siding? Heavy equipment? We have heard that sulfur and POL will be unloaded there. It will negatively impact the environment.

M. Turegozhin (Borankul rural district akimat): Crushed stone will be unloaded at the siding. As for POL, there are special points at the village edge, no negative impact on the community is observed. The land plot allocated for sidings is 300 m away from the outermost house in accordance with the legislation. As for the dust on the road, after this meeting I will instruct the contractors to suppress the dust with water twice a day, all the required works are being carried out. The issue is under control of the akimat. The trucks used for dust suppression belong to the village businessmen.

Question: People say TCO will transport sulfur and build a plant. Could you please clarify this?

R. Artygaliev (TCO): The issue with sulfur was solved in 2015. Sulfur is not stored in Tengiz now, it is exported for sale. We are receiving requests and complaints about dust and other consequences resulted from the activities at the siding. These are results of construction activities. From our part, we instruct contractors to mitigate the impact and request to continue their work in the village, as these activities have created jobs, and local business is getting involved. All the activities at the siding are being carried out in accordance with the legislation.

K. Yekibayev: As result of the Job Fair, none of the local residents has been hired, is it true?

R. Artygaliev (TCO): Correct.

Question: We have heard that employment in Tengiz requires the knowledge of foreign language, is it true?

A. Sagingaliyev (TCO): There are certain positions that require knowledge of English language. For example, linguists or those positions that involve collaboration with foreign employees. 95% of the positions do not require knowledge of foreign language, such as construction and technical jobs.

Question: You told that on 3rd August there was the Job Fair in Kulsary. More than 100 people from Borankul village took part in it. A village resident is a graduate, and he cannot find a job for about 10 years on his speciality. He has no other speciality. What to do in such case?

A. Sagingaliyev (TCO): As it was noted, currently bidding for construction activities is underway. In June, there was a Training Forum where the potential contractors were informed on the FGP-WPMP training requirements, and FGP-WPMP has allocated funds for this purpose.

Question: A young man has three diplomas, will they be of any use in future? You have also told about the registration in the web portal, but most of those 100 people who attended the Job Fair cannot use the Internet. May these people meet your HR representative?

R. Artygaliev (TCO): Testing and interview are conducted to select candidates for any position. It would be hard for one person to work with 15,000 people. I am asking young people to get

registered in the web portal ENBEK.kz. There are computer courses funded by the government which can be attended by anyone interested. In future TCO also plans to hold a Job Fair where the Borankul residents will be invited to.

Question: Out of 100 people attended the Job Fair, none found a job. Has a commission informed them why they were not hired, or that they could take additional trainings if required?

R. Artygaliev (TCO): The companies have kept their CVs. Once the construction packages are awarded and large number of vacancies are opened, the companies will approach the persons who left their CVs. At that time, they hired people for those vacant positions which were available when the Fair was held.

Question: Is it true that in future a diploma will not be valid?

R. Artygaliev (TCO): If this diploma is of higher or secondary education, then it will be valid. If we talk about a craft certificate, then a refresher training will be required to confirm and improve qualification on a regular basis.

M. Turegozhin (Borankul rural district akimat): Tomorrow computer courses for 22 people start. Non-employed residents are enrolled for these courses. A one month scholarship will be paid to them.

K. Ismanov: Could you help the akimat to solve the issue on ground water use?

M. Turegozhin (Borankul rural district akimat): The question is about agriculture. It is not possible to use the ground water. The ground water in our area is saline. The issue has been raised again this year and being considered on the oblast level.

Question: Why do not you hire some craft workers out of 100 people who attended the Job Fair, and further help them with professional growth?

A. Sagingaliyev (TCO): Every year TCO hires about 20 - 25 graduates without work experience into operations, engineering and finance departments. Since oil prices fell in 2016, the last year 10 people were hired. What is going to be next year - nobody knows.

R. Artygaliev (TCO): You have to be flexible in employment issues, as the labour market has changed recently. Companies start the execution of projects, hire people, a project is completed and they need to find further opportunities in other projects. Companies cannot guarantee the employment for 30 - 40 years. A recent analysis shows that the Borankul residents work for Intertasco, Sicim and Umirzak – all these companies are engaged in FGP-WPMP.

Question: I agree. I have been working in Tengiz for 30 years, I started as a loader, now I am an accountant. You need to do any type of work, gain experience and grow professionally.

L. Yespergenova: I talk on behalf of the village parents, could you please consider building of kindergarten?

R. Artygaliev (TCO): Your question is under consideration. At present time, the funds are allocated only for the construction of two mini-football fields.

M. Turegozhin thanked the residents for active participation.

R. Artygaliev thanked everyone for participation and highlighted that community consultation meetings would be held annually for the period of the Project execution.

Summary of the issues

Based on the Consultation Meeting and the questions submitted by the Question Forms following is the summary of the issues / questions raised by Borankul residents:

- Social projects;
- Social issues;
- Employment;
- Training.