After successful start of 2011, Tengizchevroil has been maintaining the high pace of increasing production over the first six months of the year. The strong team of Tengizchevroil celebrated with great enthusiasm the 20th anniversary of ‘first oil’ and continues to demonstrate excellence in all areas of business, looking forward to mark the 20th anniversary of Kazakhstan Independence with solid achievements. Among our most recent outstanding records to admire are the following: Tengizchevroil LLP has been recognized the safest company in Kazakhstan; and the inventory of sulfur stored in Tengiz has been reduced to less than 5 million metric tonnes. At the bottom of the above and many more achievements of our team are the hard work and strong dedication. The consummate result is the profile of a world-class company we are all duly proud of.

The brilliant records demonstrated in the first half of 2011 serve yet another proof of TCO’s world-class performance, including production, safety and corporate social responsibility.

CRUDE PRODUCTION
- Crude production for the first half of the year was 13 million metric tonnes (104 million barrels).
- TCO exports crude oil through a variety of transportation routes. In the first half of 2011, TCO exported crude oil via the CPC pipeline to Novorossyisk, via rail to Odessa and Feodosiya, as well as to Aktau, then further to Batumi and Kulevi.

PRODUCT SALES
- TCO sold 664,000 metric tonnes of LPG and 3.4 billion cubic meters of dry gas.
- TCO sold 1.9 million metric tonnes of sulfur, which is 165 percent of the 1.1 million metric tonnes of sulfur production for the same period. TCO’s sales success has resulted in the reduction of volumes of sulfur stored in Tengiz inventory to 4.9 million tonnes as of June 30, 2011. TCO’s premium sulfur is sold in four different forms to customers in many countries, including Kazakhstan, Russia, the Ukraine, China and other countries primarily in the Mediterranean and Central Asia regions.

(Continued on page 2)
CPC expansion project kicked off in Atyrau

On Friday, July 1, 2011 a groundbreaking ceremony was held in Atyrau near the Caspian Pipeline Consortium (CPC) pump station heralding the start of the construction phase of the pipeline’s expansion.

On Friday, July 1, 2011 a groundbreaking ceremony was held in Atyrau near the Caspian Pipeline Consortium (CPC) pump station heralding the start of the construction phase of the pipeline’s expansion.

At the groundbreaking ceremony, Nikolai Platonov, CPC general director, handed go ahead certificates to the contractors involved in the project. Kazakh Oil and Gas Minister Sauat Mynbayev, Energy Minister of Russia, Sergei Shmatko, deputy Akim of the Atyrau Oblast, Bolat Dankeev, ambassador of the Russian Federation to the Republic of Kazakhstan, Michael Boehminkov, representatives of CPC shareholders Transneft, Kazakhstan and Chevron took the floor to offer to the stakeholders in CPC shareholders Transneft, Kazakhstan and Chevron took the floor to offer to the stakeholders in

The two energy ministers proceeded to the control panel to start the first joint welding process. The welding of the first joint was completed by a team of KazStrroiService including Yuri Bazavov, Dmitry Luzhkov, Marat Raisov and Nazhbullah Argyнов. The VIP visitors left their autographs on the state-of-the-art equipment used on the project.

The capacity of the 900-mile pipeline, which carries crude oil from western Kazakhstan to a dedicated terminal in the Black Sea, will increase to 1.4 million barrels per day from its current capacity of 730,000 barrels per day. The use of special antifouling additives can further increase the capacity.

The expansion, which is to be implemented in three phases with capacity increasing progressively from 2012-15, will help CPC take advantage of the potential forepsansion at Kazakhstan’s Tengiz oil field, which has estimated recoverable crude oil reserves of 6.9 billion barrels.

The project will consist of the refurbishment of the existing five pumping stations, and the addition of 10 new pumping stations in Russia and Kazakhstan.

The expansion will also see replacement of an 88-kilometer section of the line, six new storage tanks; an addition of a third offshore mooring point at the Black Sea terminal 10 kilometers north of Russia’s Black Sea port of Novorossysk; and communication and controls upgrade.

Under the CPC expansion agreement, the parties committed themselves to finance and implement the $5.4 billion project. The partners representing production companies obligated themselves to provide the crude for project load of the expanded facilities. The upgrades will take effect at all the existing pump stations.

The pipeline consortium places a very strong focus on operational and environmental safety. CPC is a legal holder of ISO:14001 and OHSAS:18001 international certificates.

The specific condition of this expansion is the fact that all the upgrades will be done on the existing pump stations without shut downs.

CPC will commit over $1 billion worth of investments in some impressive scope of work prepar ing for the start of the construction phase.

As of today, CPC existing facility has lifted over 265mt metric tones of crude oil. Over the decade of operations, CPC has reported a zero record of spills on the water and incidents.

**At the present moment the owners of the Caspian Pipeline Consortium are as follows: the Russian Federation with 31% total, including Transneft and CPC (Rus) holding 24% and 7% in equity, respectively; the Republic of Kazakhstan holds 20.73%, including through KMG (19%) and Kazhakstani Pipeline Ventures (1.75%); Chevron Caspian Pipeline Consortium Company - 15%, Lukarco B.V. – 12.5%, Mobil Caspian Pipeline Company – 7.5%, Rosneft-Shell Caspian Ventures Limited – 7.5% and BG Overseas Holding Limited - 2%.

TENZIGCHEVROIL: reporting 2011 mid-year results

(Continued from page 1)

TICO'S FINANCIAL IMPACT

- From 1993 through June 2011, TCO made direct financial payments of $25.2 billion to Kazakhstani entities, including Kazakhstani employee’s salaries, purchases of Kazakhstani goods and services, tariffs and fees paid to state-owned companies, profit distributions to Kazakhstani shareholder and taxes and royalties paid to the government.

- In the first half of 2011, direct payments to the Republic of Kazakhstan totaled $7 billion. In 2010, total payments was $9.6 billion.

KAZAKHSTANI CONTENT

- TCO spent $748 million on Kazakhstani goods and services over the first half of 2011. TCO spent $10.346 billion on Kazakhstani goods and services within the period of 1993 – mid-year 2011.

HEALTH, SAFETY AND THE ENVIRONMENT

- TCO has invested $2.26 billion since the year 2000 on projects to minimize environmental impact.

- Such investments in environmental protection have enabled TCO to reduce total gas flaring volumes by 97 percent since the year 2000.

- Total air emissions generated per tonne of oil produced were reduced by 74 percent from 2000 to 2011. For the first half of 2011, TCO averaged 2.14 kilograms of emissions per tonne of oil produced. Since 2000, TCO has increased annual crude oil production volume by 147 percent.

- Investments in environmental protection and improvements in plant reliability have helped TCO to achieve reduction in the number of technical malfunctions at the KTL plant by 88 percent from 2000 to mid-year 2011, and the volume of sour and acid gas flaring during technical malfunctions by 94 percent from 2000 to mid-year 2011.

WORKFORCE DEVELOPMENT

- Kazakhstan citizens hold 85 percent of TCO positions, compared to 50 percent.

- Kazakhstan managers and supervisors represent 76 percent of the TCO managerial workforce. Ongoing training and development programs exist to support the advancement of employees to positions of increasing responsibility.

COMMUNITY OUTREACH

- From 1993 to results of 2010, TCO has invested more than $645 million to fund social projects in the Atyrau Oblast for the community and employees.

- TCO invested $20 million in the Egilik (benefit-stakeholders) program in 2011. Most of the investment was focused on re building the water system in Kulsary region. In 2011, TCO has another $20 million budgeted for its Egilik program, the majority of which will again be targeted at the continued construction of the Kulsary water system.

- In 2011, TCO’s Community Investment Program has approximately $800,000 in projects planned to help improve the quality of health, education and training in Atyrau Oblast.
Carol about the natural environment is our duty, so all the above is exactly how it should be. Presently, the Kazakhstan Law has established pretty rigid rules applied to the soil users which is deemed a very timely and proper action. Tengizchevron has been demonstrating an exemplary performance in environmental safety, serving as a model to both the production companies and any other business in Kazakhstan in general. TCO implements a Comprehensive Environmental Protection Program based on PP&E philosophy which involves investing significant funds in environmental projects and is known for extremely high effectiveness. Among its success stories to admire is the Gas Utilization Project completed in late 2000 which allowed TCO to eliminate routine flaring. This is an accomplishment unmatched in the Kazakhstan petroleum sector.

Some may be interested to know how the environmental monitoring is done in practical terms, for example, how the air pollution is tested in the plant area and whether this testing actually takes place at all.

We need to reassure skeptics in the first place—the testing is done on a regular basis, also in a manner to strictly follow the certified methods and with the use of advanced instrumentation. At the very heart of the Second Generation Plant is the sulfur recovery unit. It is here where the flue gases originate during the work process which will be first trapped and sent to multi-phase treatment before finally released to the stack and into the atmosphere. The red and white X-501 chimney is rocketing high into the skies above the SGP facility, reaching upwards as high as 120 meters above sea level. This is the zero level. At the elevation of 65 meters you can spot the sampling hatches on it used for sampling the gas-air mixture. Now, our two heroes, process engineer Valeriy Stepantsev and environmental engineer Vitaliy Puzin will be climbing up to the special observation deck putting their hands on their waists. The measuring process, as high as the chimneys and stacks like this are similarly fitted with sampling platforms for installing samplers on them. Those samplers or probes, in turn, are connected to the gas analyzer control module, so they transmit the sample from inside the stack to the sensors. Beside the content of noxious substances, the gas analyzer also measures the oxygen in effluent gases, the flow velocity and temperature. Based on the data collected emissions are finally estimated measured in gram per second units to further compare them against the current MPVs.

Meanwhile, in order to make all the above happen, our two brave guys need to climb up to the observation deck putting their hands and feet to work quite a bit, also carrying containers with all kinds of instruments on their backs. This is a job definitely tougher than any workout in the gym. Up they go, while staying on the ground and watching them climb safely Gabitkhan Mendigaliyev, an experienced oilman with his job record in Tengiz starting from 1992. Gabitkhan first worked at KTLs, then was transferred to Train 5, then joined basic SGP project in 2005 and is currently considered a long-timer at this new facility. He made his comment for us, explaining that "Kazanalit specialists do such sampling on a monthly basis. We have just completed our annual turnaround, so the readings will essentially show how well we have performed our job this time. Honestly, I have no doubt all our units are working normally, so we are sure the emissions will not exceed the MPVs."

Both Vitaly and Valeriy have finally reached the platform and feel the cool and freshness of the wind which is always available at elevations this high. One can also enjoy the magnificent panoramic view of the sprawling facility underneath. Down there and all around the place is the pride of the Kazakhstan petroleum industry.

The guys work fast and display perfect skills as they open the sampler hatches and remove the jackets from the gas analyzers. They expose the smart gauges to the air flow inside the stack through docking the connection tubes to the sensors. The measuring process started and will take just about half an hour. After the set time is over, Valeriy properly stops the sampling and takes the gas analyzer in his hand. The smart instrument is showing the readings on its display and simultaneously types out the hard copy. Specially for the skeptics I need to once again reassure them no fraud or tampering with the readings is possible due to the "fraud proof" design of the instrument.

"We have a special term for these sampling points which goes as "organized sources of atmospheric impact", said V. Puzin after taking a deep breath upon completing his mission. Such sampling points allow the air monitoring group at TCO to keep a close eye on all equipment status, so we could respond quickly to any deviations."

This time all the tested parameters appeared within the norms. Both the specialists in charge of this job and the SGP personnel demonstrated a high level performance, also literally so.

By Georgy Trukhin
The event was organized by ROK Ministry of Industry and New Technologies in association with National Agency for Development of Local Content (NADLC). The forum held under the motto A strong leader makes a strong business served primarily the venue for an open dialogue between the government and business. Two-day forum was organized for the second time in two years, was attended by President Nursultan Nazarbayev, Prime Minister Karim Massimov, deputy Premier, Minister of Industry & New Technologies A. Iskelevich, heads of ministries and government agencies, CEOs of major businesses – holders of licenses for the use of natural resources, presidents of large national foreign companies acting as key players in their respective sectors and chairman of associations of entrepreneurs.

High on the agenda of the forum and exhibition were the presentation of the Map of Industrialization, a live teleconference with various regions of Kazakhstan and A strong business panel attended by the head of state.

The forum and exhibition were general director Tim Miller, deputy general director and general manager of government and public affairs Rzabek Atylykyev and managers of TCO groups in charge of local content development, operational excellence, safety and environment and Future Growth Project. The exhibition which was part of the Kazakhstan Content 2011 Forum and exhibition featured the total of 120 booths introducing major local producers and small business, including the booth of Tengizchevroil LLP. Deputy Prime Minister Aset Isekelevich welcomed attendees as a guide introducing the head of state to every booth, demonstrating a profound knowledge of the subject-matter.

The booth of Tengizchevroil appeared extremely popular among the visitors of the exhibition who were eagerly provided all the information they wanted and took advantage of the opportunity to establish business contacts with TCO Local Content Development managers M. Inbataev, O. Orazbayev.

General director Tim Miller attending the Forum hosted an interview for Khabar News Agency and Business Resource media holding company, briefing the journalists on TCO strategic initiatives and objectives in the area of Kazakhstan content development.

By Merujurt Suhankulova

Joint Forum of Suppliers on Original Equipment and Spare Parts

For two days from July 4 through July 5 the Korme Expo hall was hosting the Kazakhstan Content 2011 Forum & Exhibition. This was the fourth such event of a special format and dedicated sponsors, now becoming a good tradition.

On the 13th of May Kazenergy and KazMunaiGas National Oil Company in association with three lead producers of oil and gas in Kazakhstan, Karachaganak Petroleum Operating Co. (KPO), North Caspian Operating Company (NCOC) and Tengizchevroil LLP (TCO) hosted a joint conference in Astana on the subject of production and supplies of packaged equipments and spare parts for the petroleum sector. This was the fourth such event of a special format and dedicated sponsors, now becoming a good tradition.

The primary subject of this year's agenda was the discussion of the ways to further develop the national market of complex equipment and spare parts for the petroleum sector, establishing partnerships between foreign and Kazakhstan companies and stimulation of indigenous production of oil equipment and spare parts.

Attending the forum on behalf of the government agencies were Vice Minister of Oil and Gas North T롬baev and Vice Minister of Industry and Innovations Dusenbai Turganov.

In his opening remarks Dusenbai Turganov underlined the audience on the government plans to increase local content, it is necessary to make a forecast and strategic vision of the primary directions for the national industry development and another high priority is to initiate and develop local production of goods to meet the growing demand for oil and gas development projects. Such large scale forums involving key players of petroleum industry experts, are instrumental in identifying the opportunities for the investors to support local industry through the creation of joint ventures.

A total of nine five advanced industry training centers in the western, eastern, northern, central and southern parts of Kazakhstan which will offer crafts training, introducing trainees to the real equipment actually utilized by production companies. This is expected to create the wanted practical skills and train qualified labor through immersion in the working environment very similar to the actual operations. The Vice Minister further noted it is essential to build a consistent and systematic state policy to address effectively the local content development through working out the mechanism of assimilating and bringing on new technologies, modernization of existing facilities and ensuring long-term contracts and work-orders for local suppliers. It is also critical to offer technological support and guidance to local suppliers of goods and services. This includes the catalogue of production, products, goods and services needed by production companies. Such a catalog and a online site on Kazakhstan Content have already been provided and appeared helpful.

Uzbekkabalin, Kazenergy Coordination Council Chair, for Kazakhstan content development took the floor to encourage producers to provide exact information about the needs of producers, both in short and longer term which is essential for the local suppliers to plan and organize production of oil equipment to the best international standards. He further noted in his remarks that, “the newly accepted method of estimating the Kazakhstan content has, on the one hand, provided a very strict definition of local content and goods and ruled out any misunderstanding or deliberate fraud. On the other hand, it has created a very effective environment for both the customers and suppliers to find potential business partners and cooperate.” This process is extremely useful and promising to the oil producers, because it is based on very pragmatic calculations. Through partnerships with Kazakhstan vendors manufacturers of machine tools and industry equipment the upstream companies can make their business more cost-effective and save on purchases, transportation and maintenance.

Dimash Bizhanov, general manager in charge of KMG service projects reported, KMG Group has been strongly committed to increasing the Kazakhstan content in company upstream projects. While doing so, the company will be particularly encouraging and contracting with the local suppliers, who actively use modern technologies and employ innovations to enhance competitiveness in what concerns the cost and quality versus the imported products.”

Speaking on behalf of KPO, Kairat Kapashev, manager of local content development group emphasized that “the building of local suppliers’ potential has been among the Company’s top priorities. KPO is interested in developing the local market of goods and services which creates a favorable and stable business climate for all Kazakh companies.”

Michael Pekarski, general manager of NCOC Contracts and Purchases said “NCOC together with all partners have been in charge of a world-class project and believe our business provides vast opportunities for Kazakhstan’s national economy sustainable development, including the impact on both the regional and national scale.” He stressed that “the Consortium’s strategy on local content development has been systematized and long-term. As a result, in 2010 totals cost of local goods and services paid by the project operation for company and partners exceeded $900m (tenge 130 billion).”

Starting from 2005, the total cost of goods and services supplied by Kazaksthan Machine-building Industries Oblast and the employees. TCO is respected in the Kazakhstan community, according to its repute, “KMG Group has accepted method of estimating the Kazakhstan content has, on the one hand, provided a very significant effort to contribution to the development of the national economy of Kazakhstan.” The strengthening and development of the potential and opportunities of Kazakhstan business has been among the highest priorities of TCO. The Company is committed to continuing its effort in increasing the share of Kazakhstan goods and services in order to support the sustainable development of Kazakhstan and local business. We are hoping this forum will provide a strong momentum to the development of local suppliers, especially in producing complex equipment packages and spare parts.”

A more detailed information on TCO’s efforts in increasing the local content was given by Steve Messer, manager of total supply chain. In his report he made a special point quoting one of TCO’s strategic intents – to be respected in the Kazakhstan community. Through pursuing to be respected in the Kazakhstan community, TCO is reaching its objective to create a superior value for the benefit of the partners, the Republic of Kazakhstan, the Aybar Oil and the employees. TCO is doing so by vastly utilizing Kazakhstan goods and services, effective human resources, safe and sustainable development, operational excellence, safety and environmental management.

Joint Forum of Suppliers on Original Equipment and Spare Parts featured the total of 120 booths introducing major local producers and small business, including the booth of Tengizchevroil LLP. Deputy Prime Minister Aset Isekelevich welcomed attendees as a guide introducing the head of state around $7 billion. The forum attendees demonstrated a keen interest in the examples of TCO’s successful cooperation with Kazakhstani suppliers.

The forum organizers have provided an overview of Kazakhstan’s energy coordination council, expanded the platform for discussion on the specific needs of the customers and the companies doing business in Kazakhstan and small business, including the journalists on TCO strategic initiatives and objectives in the area of Kazakhstan content development.

By Merujurt Suhankulova

Kazakhstan content 2011 forum and exhibition

On Invitation from TCO, at the event the following speakers were Chevron executive officers – K. Steward, Supply Chain Advisor - Local Content, Chevron Services Company, Strategic Capability, Kelly Atanaka, Chevron Services Company, Regional SCM Advisor Supply Chain Management Chevron Upstream A & G, a division of Chevron U.S.A Inc. and Bill Sashelt, Gorgon Project Manager for Chevron Australia Pty Ltd, who praised highly the excellent organization of the forum and its strong benefit for suppliers. They also enjoyed greatly TCO reports on support of local producers of goods and services, success stories and active interaction during the panel discussions.

The organizers are hoping this forum will continue to stimulate the interaction between the industries and business representatives of Kazakhstan business, and also encourage technology transfer, knowledge and experience, as well as provide a strong momentum for local business growth in the area of Kazakhstan content for the upstream sector.

By Almagul Ermanova, Supervisor, Planning and Analysis, Local Content Development Group
Focus on Local Suppliers

Euseit Support Services (ESS) has been among the long-time dedicated partners for TCO in the area of total site support for quite long time. It is really hard to imagine Tenzigevroll operation without perfectly organized transportation services, excellent catering and accommodation available in Tengiz, and the smart comfort of offices. This all is responsibility of ESS.

Recently, Euseit Support Services has formed a strong social group within its organization structure in charge of local content development. Please find below this group’s representative, Sarkenova, manager of the newly formed group.

In view of the latest amendments and changes to the Kazakhstani law designed to further development of Kazakhstani content and in line with TCO strategy in the given area, ESS responded accordingly in order to meet newer challenges and address the issue more effectively, with a stronger focus on local suppliers of goods and services. The new group’s specific function is to coordinate local content development as part of the total supply chain management process. The specific mission of our new group can be defined through a very laconic formula – to maximize the use of Kazakhstani suppliers of goods and services. In the meantime, I must admit this job is by far not as easy as it may appear at a glance. TCO is a world-class operation and one of the largest businesses in Kazakhstani economy, which makes the standard of goods and services is expected to be similarly competitive. Therefore, the issue is not about a plain increase of the number of local suppliers involved in our projects. The requirement is to simultaneous-ly maintain and upgrade the quality of services and products.

ESS is proud of its long record of productive cooperation with TCO and strives to further early related business relations with Kazakhstani suppliers and vendors. Among our long-time credited business partners we can recognize such local suppli-ers as Tokmakian Farm covering over 1/3 of TCO monthly demand in meat and lamb; Kazamzay Factory in Aktobe is our trusted provider of wheat, pasta and barley. Turquoise edible oil industries Co., also based in Aktobe, is our dedicated supplier of vegetable oil; JSC Eurasian Food Corp. known as number one supplier of margarine and mayonnaise in Kazakhstan is one of our business partner of ours. I could probably continue with a longer list of local suppliers, like Milk dairy plant in Kostanai, ICE Company in Atybubinka, a supplier of fermented milk products, Elite Company in Kyzyl-Ost producing rice and the Sugar Center which accounts for our purchases of respective product.

In the meantime, while estimating our internal short-term and longer term requirements and needs, we continue to look for more potential suppliers, investigate their capacity and ability to meet our de-mands in what concerns quality. Then we register the potential sup-ppliers in our data base and invite them to take part in the bidding pro-cedure. One typical area with plenty of opportunities for our potential local suppliers is the market of meat and poultry products. Currently, the monthly demand of local sources for beef and poultry meat equates to 30 tons and 35 to 38 tons, respectively, with Poland dominating as our chief sup-plier, while essentially acting as in-termediary, importing these types of products from third parties. Unfor-tunately, local suppliers have so far been unable to handle orders this big and offer a competitive quality.

In search of potential alternative suppliers, we made a lot and visited a number of facili-ties based in Almaty and Shymkent. We are still planning another tour of a plant in Kostanai and in some other places in Kazakhstan, hoping to contract with indigenous suppliers and aspiring to, finally, diversify our sources and find competitive players on the local market. However, there is yet another reason we need to be prudent and prudent enough to resist the tem-perance “use shortcuts” at the cost of safety. We need to necessarily identify, estimate and minimize the risk factors and maintain the level of safety at all times which will help us return home after work safe and sound.

Dzhamkeev Akgül, SORPGI archive technical assistant – I believe strongly we spend almost half of our lifetime at work to provide for the wellbeing and happiness of our fami-lies which is hardly thinkable without good health. How we succeed on this mission depends entirely on our understanding and dedication.

I am happy while living our everyday life, people rarely care about safety behavior at home, on the street or at work. whereas before my family treated me as the ultimate nuisance or just laughed back, today they respond positively in a matter of a second. This means the people of Kazakhstan have finally understood the safety belts and the piles of plates left carelessly on the kitchen table pose real threat, while adhering to simple safety rules their working life at the workplace can pro-ect from injuries.

As you can see from the above commented about the safety we finally understands and accepts to observe basic safety rules. Today, our program encourages us to pay more at-tention to safety both at work and in our daily life, to avoid accidents and improve unsafe habits. Every per-son should realize his own safety is in his hands and keep in mind that we are similarly responsible for other people’s safety.
Precious present to the Goldfish

In order to better understand the "juice" of this story, we probably need to give some background information to our English-speaking readers. In the Russian folklore there is a famous story about the Old Man and the Goldfish where the latter fulfills every whim of the Old Man's lady as a return courtesy for being liberated from the net. In our case, though, it is the Goldfish who enjoys the gifts.

Goldfish or Altyn balyk in Kazakh stands for a name of a nursery in Atyrau. Once it was one of the best preschool institutions in town, however, when the hard times arrived the nursery and its residents suffered badly from the cash strapped budget. In 2010 Al-tyhn balyk's function was changed by the act of Atyrau Mayor, so the nursery is currently hosting the special school for handicapped children.

Today we have the total of 96 pupils in eight groups, explained Zhanar Ermekova, the School Director. - Of these 8 we have five groups for the children with speaking problems, one for the children with hearing problems and two for the mentally retarded children. As you can imagine, attending to our special pupils are not only normal school instructors, but also speech therapists, psychologists and other specialists trained to work with the handicapped children. All of our trainers have completed retraining programs.

Now that The Goldfish is pursing a special and very noble mission, The Goldfish School management approached TCO Government and Public Affairs with a request to assist them with purchasing special equipment and exercises effective in rehabilitation of the handicapped children. We discussed the issue

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This has become a tradition for TCO to dedicate environmental activities to various holidays and milestone events. This year, the company has been an active owner of a large variety of projects designed to enhance community awareness of environmental problems and to increase public involvement in the protection of local environment. The Operati

On Earth Day, TCO was one of the companies that has joined the campaign "Tastelnaya Ratsiya". We also brought with us unusual bright pattern of colors clustering in bloom and the symphony of birds' chatter. Dozens of eager eyes of birds-watchers armed with binoculars enjoyed this absolutely fantastic view. No wonder we had so many volunteers willing to join the birdwatching: people were eager to leave their normal city environment and try to immerge for a moment in this heavenly world of divine nature, enjoy a short trip to the wilderness in order to keep for good the precious memories of this unique, although somewhat remote land.

In pursuance of the goal to raise public awareness of environmental protection, a number of environmental contests have been hosted by TCO within the scope of the subject of Caring of the native land, the protection of the natural environment of TCO's areas. The aim is to bring out the talent, the potential as well as the strength of the employees and contractors. The juries received a great number of good and original ideas for the contest's theme, and all participants have been recognized with special prizes and mention.

We are proud to know such environmental activities have been joined by many employees and community members each year. This serves as a clear evidence of growing civil awareness and a stronger will to preserve Mother Nature, a true patriot of our environment as well as every employee, effectively and safely use of its resources.

Analyzing the contest results, the Goldfish pupils were the winners in various aspects. The winners and all participants are therefore invited to participate in annual environmental contests.

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Goldfish or Altyn balyk in Kazakh stands for a name of a nursery in Atyrau. Once it was one of the best preschool institutions in town, however, when the hard times arrived the nursery and its residents suffered badly from the cash strapped budget. In 2010 Altyn balyk’s function was changed by the act of Atyrau Mayor, so the nursery is currently hosting the special school for handicapped children.
Novus-Yulmar Service – another success story

The development of newer opportunities and business capabilities of Kazakhstani companies, providers of goods and services, has been treated by Tengizchevroil as one of its top priorities. To pursue this strategy effectively, TCO offers incentives, low interest loans to support the development of small and medium-sized business in the area. Over the life time of this program, the total of $7.8m worth of loans has been issued to local entrepreneurs.

One vivid example of the high effectiveness of such strategy is the history of TCO cooperation with Novus-Yulmar Service, a Kazakhstan-UK joint venture producing quality packers for TCO. The history of company dates back to late 90s of the last Century when the company supplied limited volumes of services for TCO capital projects. After switching to heat insulation business, the company (it was Yulmar Service at the time) received the first interest-free loan from TCO to start production of metal profiles used for insulation. It was among the first local businesses in Atyrau certified to ISO standard. On July 5 a dedication ceremony was held in Atyrau for the newly opened workshop to produce the flange packers attend-
ed by Deputy Akim of the Atyrau Oblast Abdиров, TCO Total Supply Chain Manager S. Messer and a representative of the British partner. After the ceremony, the attendees were introduced to the up-to-date equipment installed in the spacious workshop which meets the stringent international and national standards of industrial safety. The NC machine tools utilize plasma burners to cut packers with top precision. “Yulmar Service has been an active player on the local market for more than a decade, providing the bulk of services to Tengizchevroil and specializing in heat insulation for the plant equipment,” said deputy director Nickolai Ignatov. – We have passed successfully a few phases of quality upgrades. Our products are ISO-9001-certified. While focused strongly on the Kazakhstan context development, we also chose to partner with Novus Co. of the UK, to form a joint venture specializing in production of packers. TCO is our customer of choice, and it has given us a strong support through issuing a privileged loan which we used to build a new workshop, buy and install the equipment, so we are currently starting pilot production and contemplating to meet the urgent needs of Tengizchevroil in the first place.”

The success story of Yulmar-Novus Service is inseparable from TCO strategy of local content development. As an example of the high productivity demonstrate-
d by TCO Local Content Development Group, it is important that the production supplied by Yulmar-No-

Going to school can be fun

Atyrau is once again hosting one of the world's best schools of physics and mathematics

It is now for the fifth time Atyrau is hosting the Summer Schools of Physics and Mathematics, an affiliate of the Novosibirsk State University in Russia known as an “incubator” of future scientists. The school specializes in advanced training of the skilled school students. We earlier introduced our readers to the background history of this unique educational facility which has served the launching ground for dozens of prominent men of letters, designers, researchers and innovators of the country. The (Specialized Scientific Educational Center under the Novosibirsk State University) has maintained its fundamental mission over the years – to give the children a special talent in the hard sciences with the purpose of giving them a solid training, sufficient for their future active and productive involvement in scientific research and advanced sectors of the national economy. Tengizchevroil has served as chief sponsor of this initiative to its fifth year in a row and has been a strong supporter of this initiative of the Atyrau Oblast Administration of Public Education for many years.

Please see the numbers below which speak for themselves demonstrating the success of the project. Last year, which incidentally was by far not awfully favorable economic environment, the Summer School of Math based on the premises of the Small Academy of Arts was attended by the total of 88 students. This year the number is 166 which is exactly a double growth. The sceptics, who may suspect this is a sheer circus of jealous parents willing to enroll their children at an elite school by all means, will be not at all wrong. Some seniors have been attending the school for three years in a row, because they consider impossible to miss the precious chance of immersing in the world of mathemat-
ics and physics during the summer holidays.

One such student is Anatoliy Denisenko, just past his tenth form at high school and currently into the third year with the Summer School of Math. Last year, he also qualified among the brightest students, who were invited to a special class at the Novosibirsk Scientific Educational Center in Novosibirsk. The young fellow definitely has a knack for the exact sciences and advanced knowledge. “My parents are electrical engineers by profession, so, probably, my interest for the maths and physics is hereditary,” explained Anatoliy, laughing. – It’s no more sums than anything else, the more complex is a problem, the better. Besides, the Summer School is largely based on the higher school curriculum, thus we are getting plenty of new knowledge.”

Anatoliy has a strong desire to enroll with the Novosibirsk School of Physics and Mathematics. His dream is to become a nuclear physicist and get involved in the scientific research of nuclear energy civil applications.

Attending the same class with Anatoliy at the Summer School of Math is Kira Lagovskaya, a student of Atyrau State College. Differ-
ent from him, though, she is a novice. Kira generally prefers the humanitarian sciences. She likes to draw and does well both in graphic art and painting. Why the school of math then? “I came here, courtesy of a friend of mine and schoolmate Dina Orygbasarova, who is absol-
utely happy attending the school for three years now. I was intrigued and thought I should try out my knowledge of math and physics at first. At any rate, I had to overcome the feeling of controversy, because I deemed summer and school as incompatible things. But, eventually, I discovered they can match really well. I just love it. The standard of training is fairly high,” commented Kira.

Kira’s case must be a typical example of ideal harmony between physics and lyrics. Kalybek Kab, a young guy with a hard tan and black eyes is an altogether different story. He is a student of the Daryn School in Atyrau and no freshman at the Summer School of Math ei-
ther. However, it is due to his extraordinary talent in hard sciences, but rather because of his restless temper and all kinds of pranks his name has been mentioned often by the trainers. This is what Andrei Karchevskiy, School Director thinks of him, even though recognizing Kalybek’s ingenuity.

The instructors, though, are trying to correct Andrei Karchevskiy, reassuring him and us that Kaly-
be’s behavior has improved dra-

"Getting mature, huh?” we asked the young guy.

“Guess it’s time to become prudent and wise,” answered Kalybek philosophically. – Time to treat things seriously and make plans for the future.”

The young man eagerly joined the conversation and told us he had once come up with an idea of a unique project to clean the near-Earth space of waste when attended a seminar in physical as-
tromony. His idea was to build some kind of a vacuum cleaner to clean up the space.

“My project was criticized bit-
terly,” admitted Kalybek with a sigh of frustration. – The criticism was fair, however, because the project certainly had some flaws… But in general I like it here. The School of Math is really a fun! Not only a fun, but also cre-
ates value. That for sure. Svetlana Trepakova, deputy director of Novos-
birsk Scientific Educational Center under the Novosibirsk State University) has maintained its fun-
terest in physics and mathematics in high school in general.

The number of students at the Summer School of Math (166) is really impressive. Meanwhile, you should be aware the school of math is not all about lectures, formulas, tests and lab works. The classes start at 9 a.m. and finish at 5 p.m. which means the children stay there the entire daytime, six days a week. Therefore, the school works in a campus mode, also offering cul-
tural and sports events after hours. Among the cultural programs were, for example, several competitions of unmistakable romantic spirit, like a Tilting Match or Miss Summer School of Math beauty contest. As you see, the school is clearly not all hard sciences.

Now, probably, one last fact about the Atyrau Summer School of Math. Its program has been ex-

panded this year by adding advance training seminars for local teachers of physics and mathematics. Sup-
ported by the Atyrau Regional Insti-
tute of Teachers’ Advance Training, professors of Novosibirsk State Uni-


-ity acted as guest lecturers and held a few seminars with the total of 48 local schoolteachers, includ-
ing from rural districts. The world-
famous School of Physics and Mathematics of Novosibirsk keeps pursuing its noble mission.

By Georgiy Trukhlin and Guinara Atzhanova
Joi and Tim, the birdwatchers who care…

T
im comes from Washington, D.C. and he gradu-
ated from Texas University where he specialized in the environ-
mental aspect of oilfield development. He arrived in Kazakhstan in 2008. His
job at TCO is design group leader in charge of small projects associated with
KTL's operations.

I took interest in the birds from my young years, and this happened when I first went fishing,” remembers
Tim with a smile in his eyes. Sam-
fied with the effect his controversial statement produced on us he continued his story talking about his father and his
all-absorbing hobby of fishing, so the young boy used to be his father's helper
at fishing trips to local lakes and rivers. For
some reason, the tragedies were invari-
able to be connected with this topic
distorting my float, and the flood disturbed,
the young Tim often didn't have a boat to do,
except watch the birds. Then he devel-
op a keen interest in the birds in partic-
ular and the natural world in general. Gradu-
ally, the captivating hobby evolved into a
large collection of books on the subject
and Tim spent hours browsing ornithologist
catalogues and watching various spe-
cies in their natural habitat in the area of
Washington D.C., then learned to make
professional records of birds 'voices',
then he currently keeps a unique col-
lection. His wife Christile respects her
husband's hobby and it holds very jeal-
ious about his subject of adoration. She
may also feel not very happy when the
hobby interferes with family plans and
keeping duties.

“Here in Tengiz I have no prob-
lems with this,” admits Tim Perkins
with a smile. “The Company Municipal
Services is taking care of everything
related to housekeeping, so we do not
need to be involved. I am just taking
my binoculars and go to the wilderness
which is quite close behind the
village. The steppe of Kazakh
provides ponds area is the natural habitat
of birds. During my stay in Tengiz I have
learned much more about them. Hon-
estly speaking, I knew very little about
the particular species living in Kazakh
stan before I came here. The Caspian
and Tengiz stand along the regular mi-
gration routes, thus my observations
prove extremely productive.”

Of all local species the cho-lo-
chrome toadhead, the beautiful small
golden-green bird often spotted around
Shanyrak village seems to be Tim’s fa-
vorable type, just like the graceful white-
tailed sea gull.

Joi Inbody and Tim Perkins, the birdwatchers from
TCO, has a wonderful hobby, the captivating hobby
evolved into a large collection of books on the subject
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cies in their natural habitat in the area of

The Zhurek Zhylui NGO was founded in March of 2010, and over the short term of our
activity we managed to score significant results.

First of all, I would like to thank our sponsors at
Eurasia Fund of Central Asia (EFCA) working in partnership with Tengizchevroil. Courtesy of
their continuous support, we have purchased the
necessary equipment and opened the
Touch Massage Studio for the dis-
able children of the region.

The touch massage studio is for the dis-
able children with cerebral palsy. Presently, we
have the total of 28 children receiving a
massage therapy. We are very proud to report
in 2010 three of our young patients out
of 16 received their mobility functions and learned to
walk on their own, while 18 more children do-
ved a visible improvement in rehabilitation of
mobility functions and coordination of move-
ments.

Said Elsaliya Nurlia, mother of Ela-
man Guziali, 4, diagnosed with hypothyrosis
cerebral palsy), “I used to carry my daughter
in my arms, because she neither walked, nor could
sit upright, and was generally scared to make
any unattended motion. After the first course of
massage therapy Guziali learned to sit upright,
although still with her mother’s help, and devel-
oped interest in the people and objects around
her. After completing the second course of mas-
sage treatment, Guziali is now able to stand up
on her feet unattended and learned to walk hold-
ing on to furniture and things around.

Over the 9 months of 2010 Zhurek Zhylui
provided the total of forty 15-day courses of
massage therapy to disabled children.

Starting last year, we initiated a more ac-
tive interaction and feedback with parents and
offered various social events on top of therapy,
in order to develop socializing habits in children.
Already in 2011 we held three such events for
the New Year, Nauryz and the Child Protection Day.
The children with partial disability were very en-
thused to take part in the festivities on their own.

Apparently, they discovered and enjoyed for
the first time in their life they could do the same
things as other children do normally – singing,
dancing and reciting verses.

But the most important, a truly revolution-
ary change happened at our therapeutic facility
in march of 2011. We finally purchased a neuro-
orthopedic suit effective in rehabilitation
by means of kinesotherapy. Already after using
the suit for two initial months, we saw for
ourselves outstandingly effective changes com-
pared with the massage. We were truly amazed
in finding out a single session of the ‘moon suit’
application showed a similar effect as a 10-day
course of massage therapy. However, the suit
was bought for the children aged under 3 years old,
while we have many disabled children attending
our physical therapy center, who are older than that,
and some as old as 13. We are sure they
need a similar neuro-orthopedic device badly.

We are hoping EFCA will continue to support
us in 2012, so we will be able to buy a bigger size
suit. We wish we could have it at our disposal
as early as only possible and are looking for
reincarnation. This is how Joi Inbody
one of the organizers of the events.

Joi and Tim, two very different personalities shared
their hobby and treat it with a true pas-
sion. A man will always make his time
and find the place for favorite business.

As far as in Tim's case is concerned, there
will be a certain deficit, while, otherwise,
they have plenty of space and opportuni-
ties for their hobby. One can see a large variety of birds around Tengiz
– the golden eagles, the quails, the
skyknocks, the herons and whoops, the
flamingos, the red-tailed eagles, those restless meeples chippers…”

Sometimes when you walk out
through the main gate and leave Sh-
anyrak, take a look around and you
can occasionally spot a lonely profile of a
person with binoculars above the line of
horizon. Or sometimes a couple stand-
ing and observing the sky. I bet, those would be, for sure,
Joi Inbody and Tim Perkins, the birdwatchers from TCO.

By Georgiy Tkulthin,
photos of awesomeness
provided by Joi Inbody

Creating value for the children's health

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