

**Energy Security** *Extract from the address of the Minister of Foreign Affairs Mr. Marat Tazhin, delivered at the Carnegie Endowment for International Peace (Washington D.C., 1 October 2008):*

By opening the national energy market and gaining the trust of foreign investors Kazakhstan has accepted its role of a “global player” in ensuring energy security. The energy sector remains the leading economic brand of the nation.

According to our data, proven oil reserves of Kazakhstan are 4,8 bln tons, which make up 3% of the world’s total oil reserves. It makes Kazakhstan to the world’s top ten countries in terms of hydrocarbon reserves. In 2007 oil and natural gas extraction was 67,2 mln tons, whereas in 2008 it is expected to reach 70 mln tons. By 2015 Kazakhstan plans to extract 100 mln tons of oil, of which the larger part will be exported.

Kazakhstan understands its growing importance as a supplier of hydrocarbons to the world markets and will be a responsible and reliable international partner. To this end we intend to adopt complementary measures of the strategic nature. First of all, the legislative base improvement ensuring reliability of the contract relations system in accordance with the international standards and practice will be improved.

By supporting the “Extractive Industries Transparency Initiative”, we pursue the strategy of increasing transparency of financial flows and profits from the export of energy resources. It is worth mentioning that tax rates on extractive industries in the new Tax Code was determined together with representatives of the energy community due to the necessity to maintain balanced development of extracting and processing sectors as key elements of the national economy.

As before our country will participate in all large Eurasian pipeline projects, including the Caspian Pipeline Consortium, Baku-Tbilisi-Ceyhan, Kazakhstan – China.

Although we have abundant hydrocarbon reserves, we also want to develop renewable sources of energy, which have become vital for sustainable development of the country in the 21st century. The strategy of the Government of Kazakhstan is to increase energy efficiency and environmental safety through development of a complex program on energy saving and environment.

The nuclear energy may stand as one of the directions for developing the alternative sources of energy and an effective tool to deal with global warming and climate change.

Today Kazakhstan is at the second place worldwide in terms of proven reserves of uranium (*after Australia*). By 2010 we plan to extract 15,000 tons of uranium annually which will make Kazakhstan the world’s largest uranium producer. The national company “KazAtomProm” which has become the co-owner of the American *Westinghouse* plans to participate in the construction of nuclear power stations.