

Press release

Nur-Sultan, November 11, 2019

"KazTransOil" JSC announces about signing of the Agreement with "Transneft" PJSC on payment of compensation for substandard oil to 14 Kazakh oil companies

As a part of the incident settlement related to contamination in April-May 2019 of about 699 thousand tons of crude oil shipped by 38 Kazakhstani oil companies via the "Druzhba" trunk oil pipeline system, "KazTransOil" JSC as the National Operator of Oil Pipeline of the Republic of Kazakhstan, acting on behalf of those companies, arranges signing of the agreements with "Transneft" PJSC and "Transneft -Druzhba" JSC.

"Currently, the agreements on compensation to 14 Kazakhstani oil companies have been signed. The conclusion of similar agreements in favour other Kazakhstani oil companies is planned as soon as prepared," – said Dimash Dosanov, General Director of "KazTransOil" JSC.

For your reference:

"KazTransOil" JSC is a National Main Oil Pipeline Operator of the Republic of Kazakhstan. The Company is a part of NC "KazMunaiGas" JSC Group. The Company owns a diversified network of main oil pipelines with total length of 5.4 thousand km. Production facilities of "KazTransOil" JSC are located in Shymkent, Karaganda, Pavlodar, Turkestan, North Kazakhstan, Atyrau, Mangistau, West Kazakhstan, Kyzylorda, Almaty, Aktobe, East Kazakhstan regions of the Republic of Kazakhstan. The Company provides oil transportation to Kazakhstani oil refineries and for export in 5 directions: by Atyrau-Samara and Kazakhstan-China pipelines, transshipment to tankers in the port of Aktau, transshipment to rail tanks, transshipment to the CPC system.

In April-May 2019, an emergency situation occurred in the trunk oil pipeline system of "Transneft" PJSC caused by high content of organic chloride compounds in the transported crude oil, which led to the shipment of substandard oil for Kazakhstani shippers to tankers in the port of Ust-Luga. "KazTransOil" JSC and "Transneft" PJSC in June 2019 agreed on compensation of damage to Kazakhstani oil shippers for the shipment of substandard oil in the port of Ust-Luga.

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