

Press release

Astana, January 26, 2024

KazTransOil JSC will keep the cost of transit of Russian oil to China until 2034

In accordance with the order of the Minister of Energy of the Republic of Kazakhstan, from January 1, 2024 through December 31, 2033, the cost of transporting 10 million tons of Russian oil per year through the territory of the Republic of Kazakhstan to the People's Republic of China along the route “Border of the Russian Federation – border of the Republic of Kazakhstan (Priirtyshsk) – Atasu (Republic of Kazakhstan) – Alashankou (People's Republic of China)” will amount to 15 US dollars per 1 ton, excluding VAT, including: on the section “border of the Russian Federation – border of the Republic of Kazakhstan (Priirtyshsk) – Atasu (Republic of Kazakhstan)”, including the transshipment of oil to the Atasu HOPS – 4.23 US dollars per 1 ton, excluding VAT; on the section “Atasu (Republic of Kazakhstan) – Alashankou (People's Republic of China)” – 10.77 US dollars per 1 ton excluding VAT.

The approved cost will remain at the level of the cost established in 2018 by the order of the Minister of Energy of the Republic of Kazakhstan for 2019-2023.

KazTransOil JSC extended until December 31, 2033 the contract with “Rosneft Oil Company” PJSC for provision of services on transportation of Russian oil through the territory of the Republic of Kazakhstan to the People's Republic of China.

KazTransOil JSC has been transiting Russian oil through the territory of the Republic of Kazakhstan to the People's Republic of China since 2014 within the framework of the agreement between the Government of the Republic of Kazakhstan and the Government of the Russian Federation on cooperation in the field of transportation of Russian oil through the territory of the Republic of Kazakhstan to the People's Republic of China dated December 24, 2013.

In 2014-2016, 7 million tons of Russian oil were transited annually through the territory of the Republic of Kazakhstan. Since 2017, the annual supply of Russian oil along the Priirtyshsk – Atasu – Alashankou route has been increased to 10 million tons.

In 2014-2023, KazTransOil JSC provided the supply of 91 million tons of Russian oil through the territory of the Republic of Kazakhstan to the People's Republic of China.

The Atasu – Alashankou main oil pipeline is part of the Kazakhstan-China main oil pipeline system and belongs to Kazakhstan-China Pipeline LLP, which is a joint venture of KazTransOil JSC (50%) and China National Oil and Gas Exploration and Development Company Ltd. (50 %). The design capacity of the Atasu – Alashankou main oil pipeline is 20 million tons of oil per year.

For reference:

KazTransOil JSC is the national operator of the main oil pipeline. It is part of the NC KazMunayGas JSC group. KazTransOil JSC owns a diversified network of main oil pipelines 5.4 thousand km in length.

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