

WORLD MINING CONGRESS 2018: A DRIVER FOR DEVELOPING MINING INDUSTRY IN KAZAKHSTAN

There is less than two weeks left before the start of the key world event in the mining and metallurgical industry - the 25th World Mining Congress, which will be held in Astana. Such a large-scale event of world significance will be held for the first time not only in Kazakhstan, but also in the territory of the CIS. This underlines the authority of Kazakhstan in the global mining and metallurgical industry.

The Organizing Committee of the WMC-2018 together with AGMP prepared a brief overview of the industry and trends of the Mining Industry.

Kazakhstan has a rich mineral resource base: there are 99 elements of the periodic table, 85 large and 79 medium-sized MMI enterprises in the country.

REVIEW OF TRENDS. KAZAKHSTAN'S MINING AND METALLURGICAL SECTOR.

According to experts' forecasts, in the coming years the mining industry of Kazakhstan expects a steady growth, supported by a rise in prices for base metals, as well as legislative transformations implemented in 2017.

The Code "On Subsoil and Subsoil Use", adopted in late 2017, corresponds to the best world practice: the document provides for the introduction of an international system of accounting standards, simplifies the procedures for obtaining subsoil use rights, and introduces the world's best practices in administration.

The long-term growth of the sector will be supported by the rise in demand for metals and growing internal demand.

The MMI of Kazakhstan is experiencing not only legislative, but also technological transformations. In December 2017, the Eurasian Group (ERG) announced the launch of the "smart mine" project at the Kachar Iron Mine, which will use monitoring and artificial intelligence (AI) to integrate the production of iron ore. The elements of Industry 4.0 are also being introduced at a number of other enterprises in the sector. Within the framework of the WMC-2018 special attention will be paid to this direction. Thus, at the session "Innovations and Industry 4.0" the issues of digitalization and application of robotics in mining will be considered, international experts will share successful examples and business cases in the global mining industry.

China's "One Belt, One Way" initiative aimed at expanding its economic and geographical influence in Eurasia will lead to an increase in the volume of Chinese investments in Central Asia. Kazakhstan, with its rich deposits of copper, gold and uranium, will remain a priority object of investment. The international investment conference Mines & Money Eurasia, the leading international series event on raising capital and investments in the mining sector, will be held on the platform of the WMC-2018 in Astana. The purpose of the Mines & Money Eurasia Conference is to demonstrate successful project opportunities in Kazakhstan's market. The meetings will be organized with fund managers, private chambers of commerce, hedge funds and family offices, as well as with junior companies who are ready to actively work in Kazakhstan. The Conference will raise questions on how to finance your own mining project in Central Asia; How global financial markets and currency dynamics will affect gold prices in 2018 and what future metals should be invested in; what will change for the current subsoil users with the entry into force of the Subsoil Code, and many more.

Main indicators of 2017:

- The mining industry grew by 9.3%, processing industry - by 5.1%;
- Production of non-ferrous metal ores and iron ores increased by 8.2% and 6.9%, respectively;
- Production of ferrous metals increased by 6.6%, and non-ferrous metals - by 5.5%.

In the production structure of the MM, the shares are distributed as follows:

- 60% - non-ferrous metals
- 20% - ferrous metals
- 17% - coal
- about 3% - other

To facilitate the search for solutions for further growth in the MMC sector the program of the 25th Jubilee World Mining Congress offers a number of the specialized sessions covering a wide range of the MMC-relevant subjects, dedicated to the geological exploration, extraction and enrichment technologies, environmental issues, occupational safety, personnel training, fund-raising and world mining industry development forecasts. For instance, the “Global Business” session will be focused on the general market trends in the global mining industry based on the experience of Australia, Latin America, Africa, Canada and other countries as well as various issues related to the opening opportunities of the business process automation, return of sector investments and ten key business risks in the mining industry.

“Open Mining Works” session will make an accent on the fact that complications related to the mining and geological conditions, putting into production poorer deposits, deepening of the underground works, environmental degradation and necessity to move towards the “green” economy arise a row of technological problems that can only be resolved systemically within the close relationships between the science and the manufacturing sphere and with the development of the innovations based on the most advanced world-class technologies alongside with the strong investment and technology partnership.

At the session “Ecology, Waste Processing” it is planned to discuss the issues of improving the legislative base of the Republic of Kazakhstan in the sphere of environmental protection in accordance with the OECD standards, recycling of production wastes and remediation of deposits after their development in the context of the new Subsoil Code. For mining companies, as active users of nature, following the principles of preserving the integrity of the ecosystem, these issues are of fundamental importance. At the session it is planned to present the Concept of the new Ecological Code of the Republic of Kazakhstan.

For the mining and metallurgical complex, the topic of personnel support of the industry is also relevant. Therefore, within the framework of the WMC, a whole range of issues in the sphere of personnel training: personnel retraining in connection with the introduction of digital technologies and elements of the Industry 4.0 and the decline in demand for certain specialties, the introduction of a dual training system in the MMI and many others will be considered at the session: “Human Resources in the MMI”.

The participants of the session “Global Business” will focus on common market trends in the regions with the most developed mining industry, key business risks, capital management issues, and digital imbalances in the mining sector.

Kazakhstan, which does not have access to the World Ocean, has difficulties in transporting its products, in particular, MMI products to foreign markets. And in this issue, the experience of the member countries of the European Union, that also do not have access to the sea, is instructive, they successfully use the transport and port infrastructure of their EU partners. These hot questions will be raised at the session “Transport and Logistics”.

One of the key factors of effective mining and production is high-quality innovative equipment and the latest technology. Within the framework of the 25th World Mining Congress the 24th International Exhibition “Mining Exploration and Mining Equipment” – Mining World Central Asia will take place. The exhibition takes place annually, gathering more than 200 companies from different countries of the world, which demonstrate more than 300 brands. The exhibiting companies get a chance to establish rewarding business connections, secure long-term collaboration with the partners, create joint ventures, launch new projects and arrange new manufacturing facilities. In addition, participants have the opportunity to meet with potential customers and identify their needs.

The Congress has also plans for a series of excursions which will allow participants of the WMC to get to know the industrial enterprises of Kazakhstan. As of now, the list of sites to visit includes Gold Refinery Plant of Tau-Ken Altyn LLP (Astana), Vassilkovskoye gold ore field of Altyntau Kokshetau (Akmola region), Bozshakol copper mine of KAZ Minerals Company (Pavlodar region), “Kazakhstanskaya” mine of ArcelorMittal Temirtau JSC (Shakhtinsk city of Karaganda region), Karaganda Metallurgical Complex of ArcelorMittal Temirtau JSC (Temirtau city of Karaganda region).

The World Mining Congress 2018 will take place in Astana, in the Congress Center located within the territory of EXPO 2017. The Congress will be attended by more than 1,200 delegates from 50 countries, 368 author speakers from 37 countries, 58 associations from 23 countries and 79 universities from 27 countries, including delegations from Australia, Austria, Canada, Norway and France.

Such honored guests as the the Minister of Mining of Mongolia Dolgorsurengine Sumyaabazar, the Vice Minister of Entrepreneurship and Technology of Poland Tadeusz Koshchinsky, the Head of EY in the mining industry in Africa and the leading expert on the digitization in the mining industry James Matcher, Executive Director of Zijin Mining Group Ltd (China) George Fang, Mining Manager of the Toronto Stock Exchange (Canada) Dean McPherson, Vice President of ThyssenKrupp Industrial Solutions AG (Germany) Franz Wolpers and any others are expected to take part in the event.

Organizer of the WMC 2018:

Ministry of Investments and Development of the Republic of Kazakhstan

Co-organizer of the WMC 2018:

The Republican Association of the Mining and Metallurgical Enterprises

WMC’s motto:

“Innovative superiority is a step forward on the way to the growth of the world mining industry”

Date and venue of the event:

June 19 -21, 2018, Astana city (Kazakhstan), EXPO 2017 Congress Center