
KAZAKHSTAN, UAE PLAN CLOSER TIES IN NUCLEAR FUEL CYCLE

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The MOU covers the supply of natural uranium to the United Arab Emirates (UAE) for its nuclear power plants, as well as the potential for future cooperation in fuel fabrication, the exchange of expertise in nuclear power plant construction and other areas of the nuclear fuel cycle.

Enec is building four Korean-designed AP1400 nuclear units at Barakah in the Al Dhafra region of Abu Dhabi. Initial construction activities at Barakah 1 were completed in May and the unit is scheduled to start operations in 2018. Construction of unit 2 began in 2013. When complete, the power station is expected to deliver up to a quarter of the UAE's electricity.

In January, the UAE unveiled plans to increase the contribution of "clean energy" in its total energy mix to 50% by 2050. The UAE's new energy strategy sees half of the country's energy coming from renewables and nuclear, with the remaining half coming from fossil fuels.

Kazakhstan has 12% of the world's uranium resources and an expanding mining sector, producing about 24,575 tU in 2016, but then reducing slightly. In 2009 it became the world's leading uranium producer, with almost 28% of world production, then 33% in 2010, rising to 41% in 2014, and 39% in 2015 and 2016.

Flotation

KazAtomProm unveiled its "transformation" strategy in October 2015, saying it planned to follow the example of other major uranium mining companies and create a trading subsidiary. Kazakhstan's sovereign wealth fund, Samruk-Kazyna, is KazAtomProm's sole shareholder.

Reuters reported last week that Samruk-Kazyna is putting plans in place to float KazAtomProm. Dauren Tasmagambetov, head of asset restructuring and privatisation at Samruk Kazyna, reportedly said KazAtomProm had already picked investment banks and legal advisers and was undergoing due diligence checks. The precise size and the location of those flotations have yet to be determined, Tasmagambetov said, as the fund is waiting for input from investment banks. Samruk-Kazyna has said it would sell stakes of no more than 25% in the company.

Established in 2008, the fund manages assets, either in whole or in part, worth \$66.7 billion in strategic national companies in various sectors, including KazAtomProm, Air Astana, Kazakhstan Temir Zholy and KazPost.

Kaynak/Source: