

AGREEMENT

Between

The Government of the Republic of Kazakhstan

And

The Government of the Kyrgyz Republic

On the Use of Water and Energy Resources of the Naryn – Syr Darya Cascade of Reservoirs in 2000

The Government of the Kyrgyz Republic and the Government of Republic of Kazakhstan, hereinafter referred to as the Parties,
Acknowledging the necessity to have a coordinated regulation regime, to carry out agreed releases, and to use water, fuel, and energy resources rationally,
Have agreed as follows:

ARTICLE 1

The Kyrgyz Party shall release 1.3 billion cu m of water from Toktogul Reservoir in summer in excess of its own consumption under the irrigation schedule. This irrigation schedule shall allocate these water releases equally between the Republic of Kazakhstan and the Republic of Uzbekistan.

ARTICLE 2

The Dostyk canal shall deliver 700 million cu m of water during the growing season to the Republic of Kazakhstan.

ARTICLE 3

To provide irrigation releases, the Republic of Kazakhstan shall accept 580 million kWh of electric power from the Kyrgyz Republic in summer.

ARTICLE 4

For the electric power supplied by the Kyrgyz Republic, the Republic of Kazakhstan shall supply 362.500 tons of the mined Karaganda coal KR 0-200 to the thermoelectric power plant of Bishkek in the second and third quarters of 2000. For these purposes the Parties shall accept the following conditions of mutual settlements:

- For the 580 million kWh of electric power supplied to the Republic of Kazakhstan, the Parties shall set the price of US \$ 0.01/ 1 kWh at the boundary of the Kyrgyz Republic.
- For the 362.500 tons of the mined Karaganda coal KR 0-200 supplied from the Republic of Kazakhstan to the Kyrgyz Republic, the Parties shall set the price of US \$ 16/ 1 ton, free on the thermoelectric power plant of Bishkek as the station of destination.
- Economic entities of the Republic of Kazakhstan and the Kyrgyz Republic shall conclude contracts for mutual supplies of electric power and coal before June 1, 2000.

ARTICLE 5

The intergovernmental joint Kazakh and Kyrgyz commission shall consider mutual debts between economic entities of the Republic of Kazakhstan and the Kyrgyz Republic, including the debts to Kyrgyzenergo, at the next meeting in June 2000.

ARTICLE 6

The Parties agreed that products (work, services) within the Agreement shall be exempt from all types of export and import customs duties.

ARTICLE 7

The full implementation of the Agreement with respect to the intended electric power transfers and water releases is possible under the normal electric network circuit of 500 kV.

ARTICLE 8

On the terms of the Agreement or by a supplementary protocol, the Parties concerned decide as to whether it is necessary to increase water releases from Toktogul Reservoir.

ARTICLE 9

Implementing the protocol, the Parties shall be guided by the Framework Agreement between the Government of the Republic of Kazakhstan, the Government of the Kyrgyz Republic, and the Government of the Republic of Uzbekistan on the Use of Water and Energy Resources of the Syr Darya Basin signed in Bishkek on March 17, 1998.

ARTICLE 10

The use of water and energy resources of the Naryn – Syr Darya Cascade of Reservoirs in 2001 shall be considered at a working meeting of representatives from water, fuel, and energy complexes of the Republic of Kazakhstan, the Kyrgyz Republic, and the Republic of Uzbekistan in Bishkek, in August 2000.

ARTICLE 11

In the event of disputes or controversies related to application of the Agreement, the Parties shall settle them by negotiations and reciprocal consultations. If the Parties are not able to reach a settlement, they shall apply to the court of arbitration, which the Parties establish to deal with a specific problem.

ARTICLE 12

The Agreement shall enter in force since the date of its signature.

Done in duplicate, at Bishkek, this 23rd day of May 2000, in the Russian language.

**For the Government of
the Republic of Kazakhstan**

**For the Government of
the Kyrgyz Republic**