



Business Opportunities in Uzbekistan

UZINFOINVEST AGENCY

MINISTRY FOR FOREIGN ECONOMIC RELATIONS, INVESTMENTS AND TRADE
OF THE REPUBLIC OF UZBEKISTAN

Sound Legal Base

- ▶ Main Laws regulating investment activity in Uzbekistan
 - ▶ on Foreign Investments
 - ▶ on Guarantees and Measures to Protect the Rights of Foreign Investors
 - ▶ on Investment Activity
 - ▶ on Free Economic Zones

GDP Growth Rate

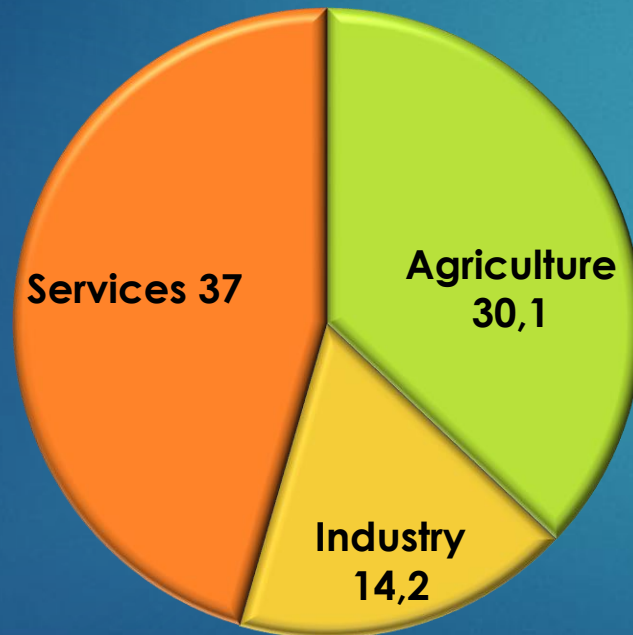
(in % to previous year)



Economy Diversification

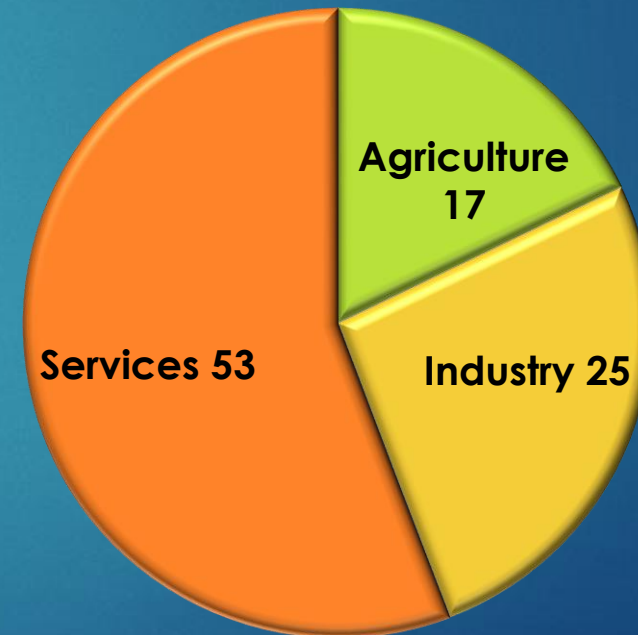
GDP Structure in 2000

(in %)



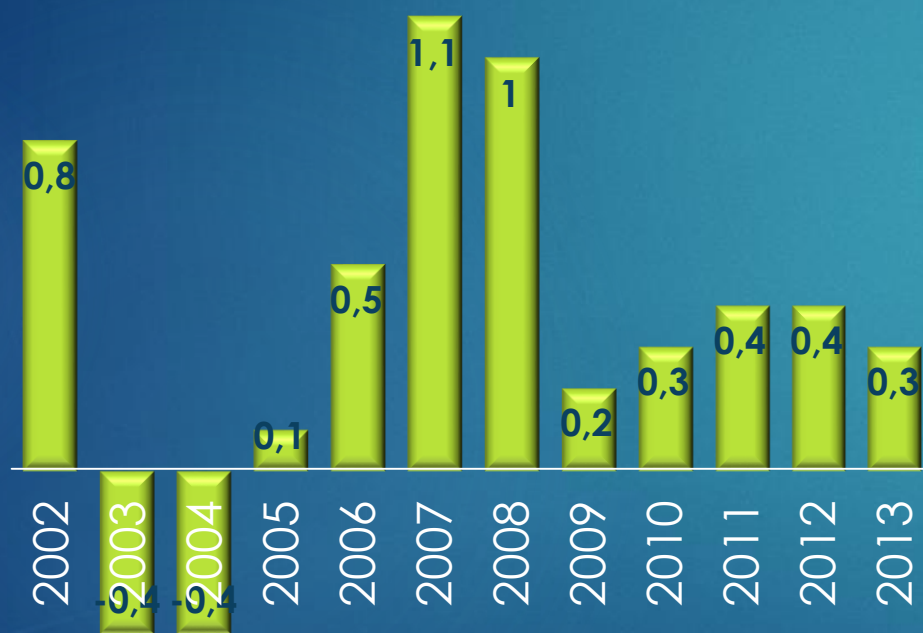
GDP Structure in 2014

(in %)

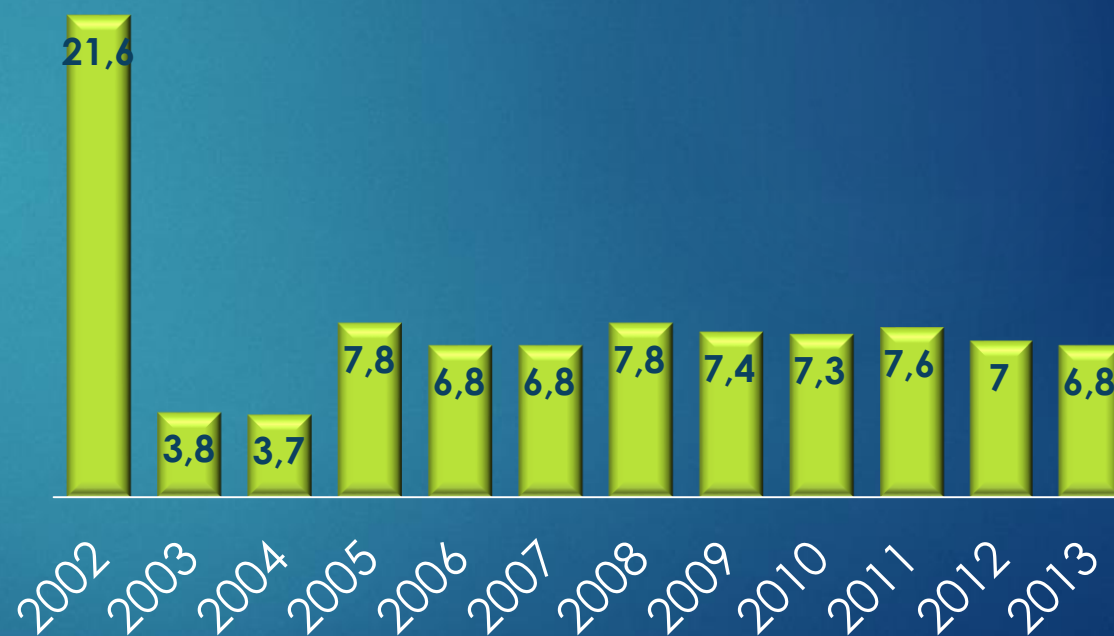


Fiscal Policy

Budget Balance
(in% to GDP)

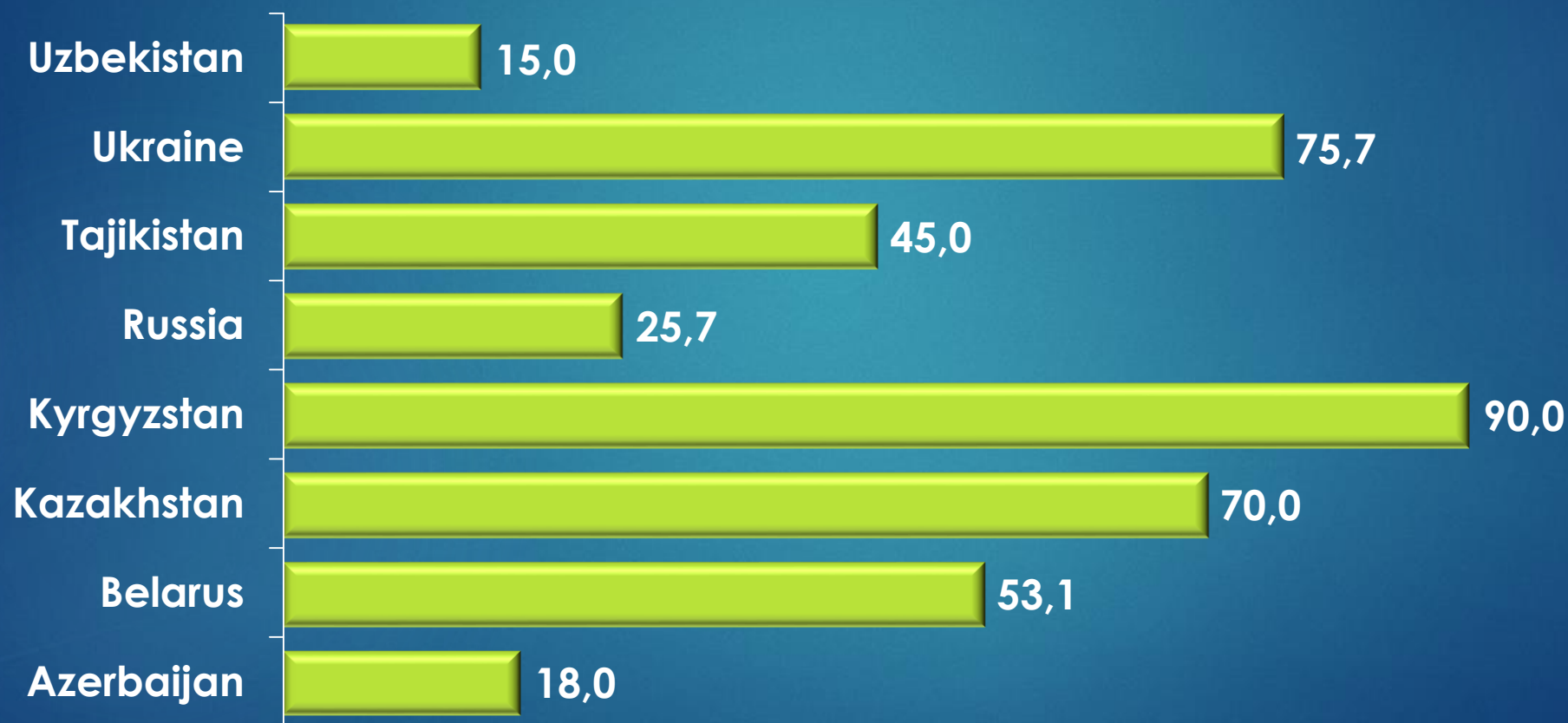


Inflation Rate
(in % to previous year)



Foreign External Debt

(in % to GDP)



Foreign Investments Growth in Uzbekistan

in million USD

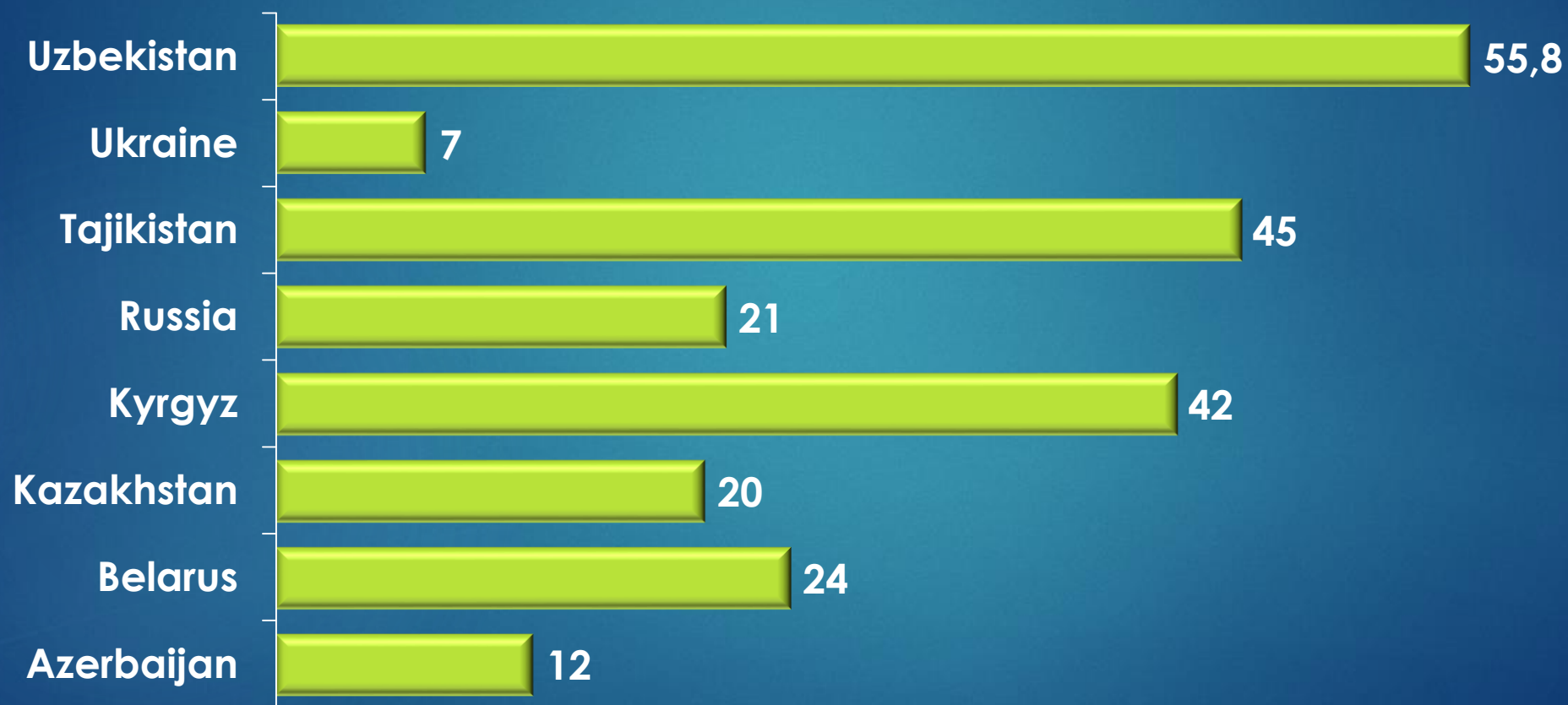
■ FDI

■ Soft loans



Contribution of SME to Economy

(in % to GDP)



Reduction of Statistical, Tax, Financial Reporting of Licensed Activities and Licensing Procedures

Dynamics of tax burden in % to GDP



- ▶ Tax burden has been decreased for more than **3 times** during independence
- ▶ Single tax payment for small enterprises in industrial sector is **5%**
- ▶ **160 licensing procedures** and **19 licensing activities** have been cancelled in recent years.
- ▶ Frequency of **statistical, tax and financial reporting** to Governmental authorities have been **cut in half** over the past years.

Reviews by International & Financial Institutions



► **Doing Business Report - Uzbekistan grew up by 30 positions in the last 2 years:**

- Facilitating trade – import & export operations
- Business-friendly environment
- Reduction of regulatory complexity
- Protecting investors

Positions of Uzbekistan in Doing Business Report



Foreign Enterprises in Uzbekistan



4845 enterprises with foreign capital

Bilateral Investment Cooperation

► 107 Joint-Ventures

► Including **27 100%** German owned companies

► 37 accredited companies

► **Main operating fields:** automobile industry, agriculture machinery, building materials, electrical engineering, and etc.



Mercedes-Benz

SIEMENS

LIEBHERR



LEMKEN

CLAAS



KNAUF

BASF

The Chemical Company

COMMERZBANK



BOSCH



Special Economic Zones of Uzbekistan



► FIEZ NAVOI

► SIZ DJIZAK

► SIZ ANGREN

FIEZ NAVOI: Tax Preferences

- ▶ FIEZ «Navoi» residents are exempted from all types of taxes:

Period of privileges and incentives:

If amount of FDI is:

- ▶ 3 to 10 million Euros - **7 years**;
- ▶ 10 to 30 million Euros - **10 years** and 50% reduction of profit tax for the following **5 years**;
- ▶ more than 30 million Euros - **15 years** and 50% reduction of profit tax for the following **10 years**.



FIEZ NAVOI

- ▶ Established in **2008**
- ▶ Territory **564 ha**
- ▶ **19** operating projects:
 - ▶ Automobile components;
 - ▶ Automobile wires;
 - ▶ Gas cylinders;
 - ▶ LED lamps;
 - ▶ High-voltage cables ;
 - ▶ Heating boilers;
 - ▶ Cosmetic products;
 - ▶ Polyethylene pipes and etc.



NAVOI International Airport



11 flights per week :

Delhi, Mumbai, Bangkok,
Frankfurt, Istanbul, Dubai,
Doha, Dhaka, Hanoi,
Moscow, Milan, Brussels,
Zaragoza, Incheon, Tjanszin.

1st stage – 300 ton per day
2nd stage – 1 000 ton per day



SIZ ANGREN & DJIZAK: Tax Preferences

- ▶ SIZ DJIZAK residents are exempted from all types of taxes, except land tax:
- ▶ Period of privileges and incentives, if amount of investments is:
 - ▶ 0.3 to 3 million USD - **3 years**;
 - ▶ 3 to 10 million USD - **5 years**;
 - ▶ more than 10 million USD - **7 years**.



SIZ ANGREN & DJIZAK

- ▶ Established in **2011**
- ▶ Territory – **4 500** ha
- ▶ Implemented projects – **9**:

- ▶ sugar plant
- ▶ cooper pipes
- ▶ LED lamps
- ▶ gypsum cardboard & etc



- ▶ Projects being realized – **13**

- ▶ basic oil, automobile tires,
- ▶ ceramic & granite tiles
- ▶ leather goods & etc.

- ▶ Logistic centre – 36.7 ha with 5.4 million MT/year

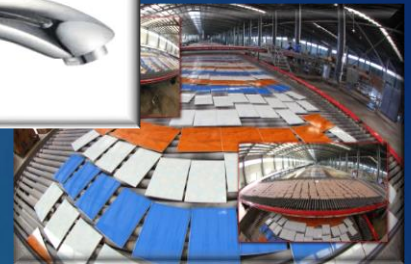


- ▶ Established in **2013**

- ▶ Territory – **524** ha

- ▶ Implemented projects – **8**:

- ▶ mobile phones
- ▶ ceramic tiles
- ▶ sanitary ware
- ▶ leather goods & etc



- ▶ Projects being realized – **12**

- ▶ ceramic tiles, IP phones,
- ▶ brake pads, fittings,
- ▶ household appliances.



State Program on Priorities of Developing Industries of Uzbekistan

- The program includes about **700** new projects at the amount of around **60 bln.USD**



Food Industry

Confectionary

Fast foods by using freeze-dried pieces of fruit and vegetable

Ketchup

Diary products

Fast freeze food

Fruit procession

Dry concentrated broths

Packaging containers



Oil & Gas Industry

Polymers

Polyethylene foam

1.4-butanediol out of natural gas

Oil recovery

Conduction of exploration works

Development of petroliferous shale deposits

others



Chemical Industry

Ammonia and urea

Synthetic washing detergents

Cosmetics

Plastic accessories for light industry

Household water filters

Toys for children



Construction & Building Materials

Glass-crystallite

Sanitary ceramics

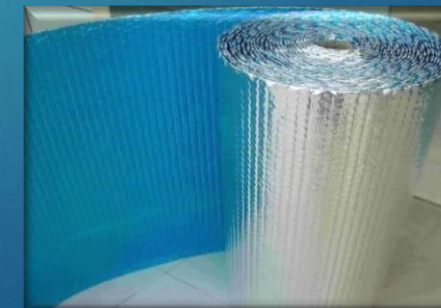
Natural stone (marble)

Wood-polymer composite products

Thermal insulating materials

Locks (door, wall)

Glass products (glasses, wine glasses)



Electrical Engineering

Refrigerators

Air conditioners

LCD & LED TV sets and monitors

Washing & dishwashing machines

Microwaves

LED lighting devices

Small household appliances



Mechanical Engineering

Industrial deep-well pumps

LPG equipment for liquefied natural gas

Textile (knitting) machinery

Over-lock machines

Electric tools (drills, grinders, screwdrivers, etc.)

Heating systems

Tractors



Automobile Industry

Shock absorbers

Braking pads

Safety belts

Spark plugs

Oil filters

Components of automotive power-train

Replacement of outdated equipment



Pharmaceutical & Medical Equipments

Medicaments for cardiovascular diseases

Disposable tests

Anabolic medicines

Finished medicaments

Various diseases vaccines

Medical gloves

Medical equipment



A nighttime aerial photograph of a city. In the foreground, a large, modern building complex is brightly lit with white and green lights. A wide, multi-lane road with yellow streetlights runs diagonally from the bottom right towards the center. In the background, a tall, slender tower with a red and white striped top stands out against the dark blue sky. The city lights create a bokeh effect in the distance.

Thank you

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