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UZBEKISTAN INVESTMENT PROMOTION AGENCY

Investment attractiveness of the electrotechnical industry of the Republic of Uzbekistan

Electrotechnical industry of the Republic of Uzbekistan



Area
448,9 thousand
Km²



Population
34,45
million



Languages
Uzbek {official language},
Russian {widely used},
English {popular}



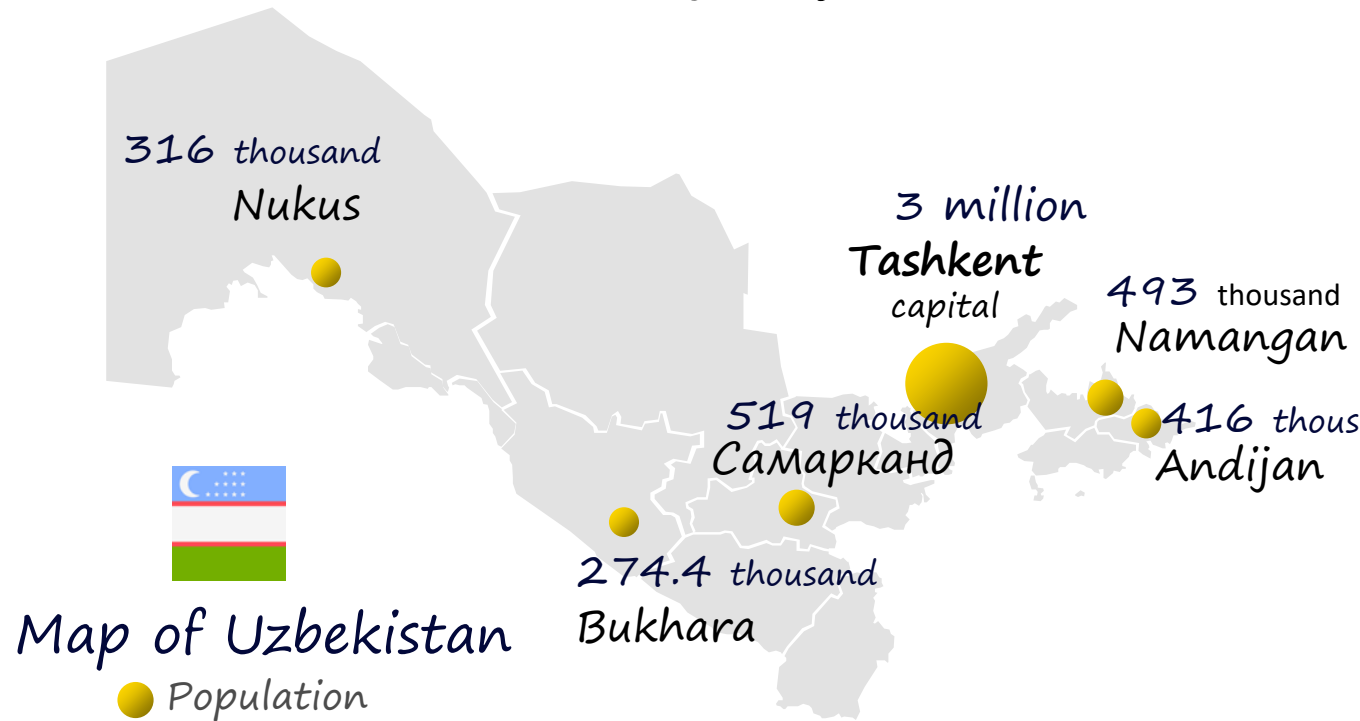
Political system
Presidential Multiparty
Democratic Republic



**Level of
urbanization**
~50%



GDP
\$57,7 billion {nominal}
\$250 billion
{PPP}



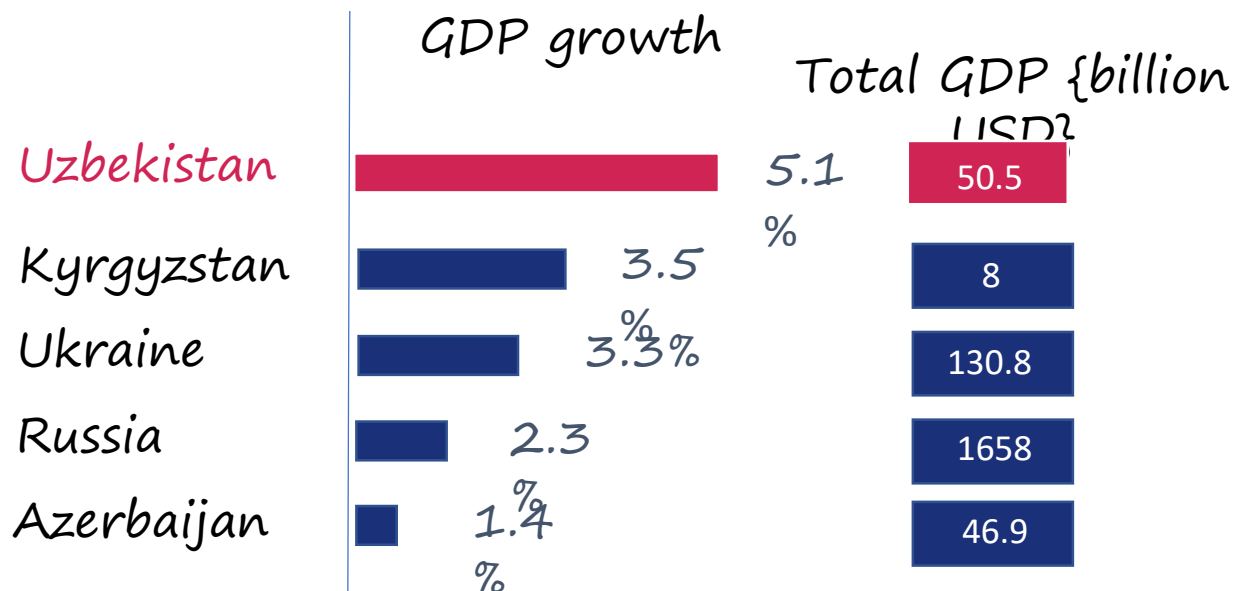
Average GDP growth rate - 6.5% (2014-2018) 10 million tourists by 2023

Potential markets

An agreement on a free trade zone was signed by Uzbekistan with 8 CIS countries, according to which the countries participating in the agreement do not impose customs duties on products manufactured in the territory of the Republic of Uzbekistan.



2nd fastest growing economy in the CIS



SOURCE: World Bank, 2019. GDP growth projected at 6% in 2020-2021

Changes in "Doing Business" rating

2012	2020
157 Comoro Islands	67 Columbia
158 Suriname	68 Oman
159 Mauritania	69 Uzbekistan
160 Afghanistan	70 Vietnam
161 Cameroon	71 Jamaica
162 Togo	72 Luxemburg
164 Iraq	73 Indonesia
165 Lao PDR	74 Costa-Rica
166 Uzbekistan	75 Jordan

SOURCE: World Bank, 2019

Current situation of the industry

- 1994 the Uzeltekhsanoat Association was established.
 - January 4, 2019 in accordance with the Decree of the President and was transformed into the Association of Electrical Enterprises of Uzbekistan (Association Uzeltekhsanoat).
 The Association acts as a government organization, the main tasks of which are to develop a strategy for the sustainable development of the production industry. The production industry has developed more than 60 new types of previously imported electrical household products has been



Over the period 2011-2019, enterprises of the electrical industry attracted investments in the amount of more than 583.7 million dollars.

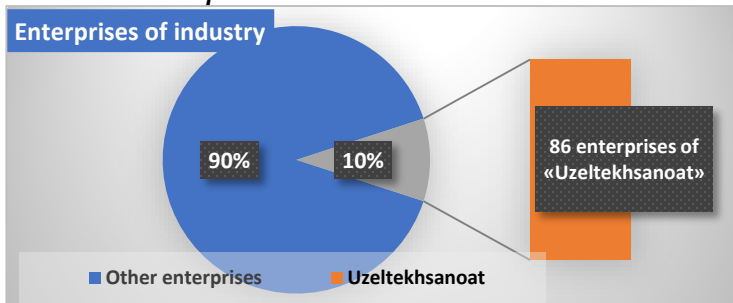
uzeltexsanoat



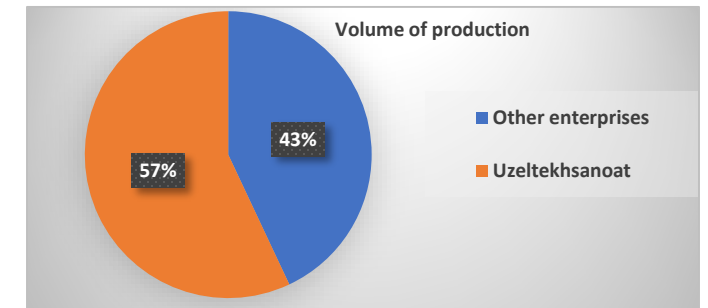
TV – 61%,	Transformer – 80%	Refrigerators and freezers– 77,5%,	Power cables– 85%
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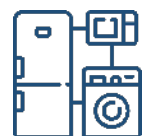
Today the association includes more than 86 manufacturers of electrical products



The level of processing of copper raw materials remains at a low level - at the end of 2018, only 14% of copper raw materials or 16 thousand tons were processed, out of 114 thousand tons mined. In addition, the share of added value in products made from copper raw materials averages 15% (\$ 900) per 1 ton



High-tech production facilities for the production of



Household Appliances



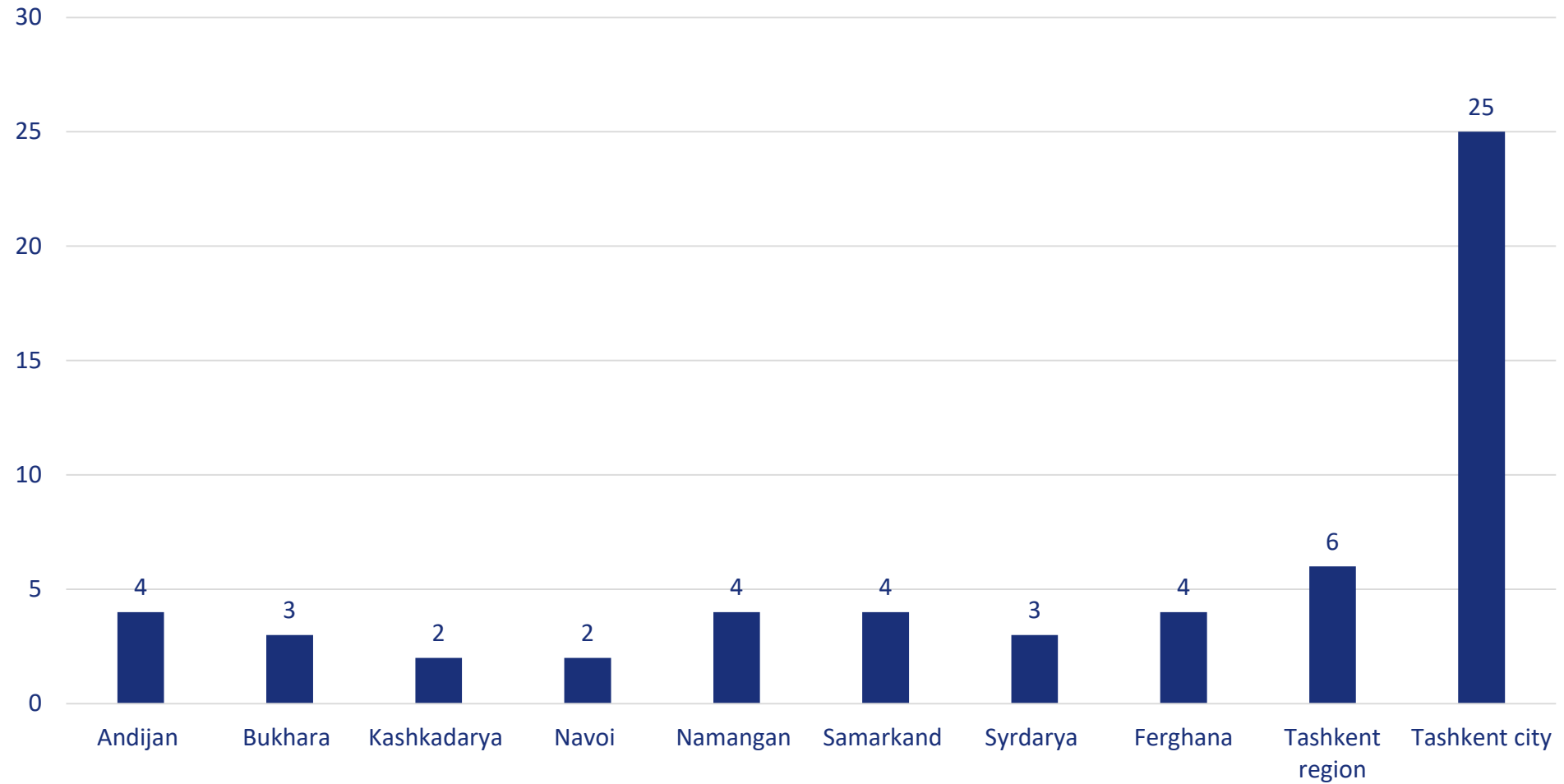
Cabling and wiring products



Power electrical equipment and others

Implementing investment projects in 2019-2021 (by region)

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Establishing the production of dry transformers

establishing the production of turbo and hydro generators

increase in the volume of export deliveries of products by 5.2 times from 116.5 million dollars. up to 600 million dollars;

increase in the volume of deep processing of copper raw materials by 2.3 times from 16.0 thousand tons to 100.0 thousand tons;

increase in the number of employees at the company's enterprises by 1.5 times from 20 thousand. up to 30 thousand people

Expansion of the range of cabling and wiring products

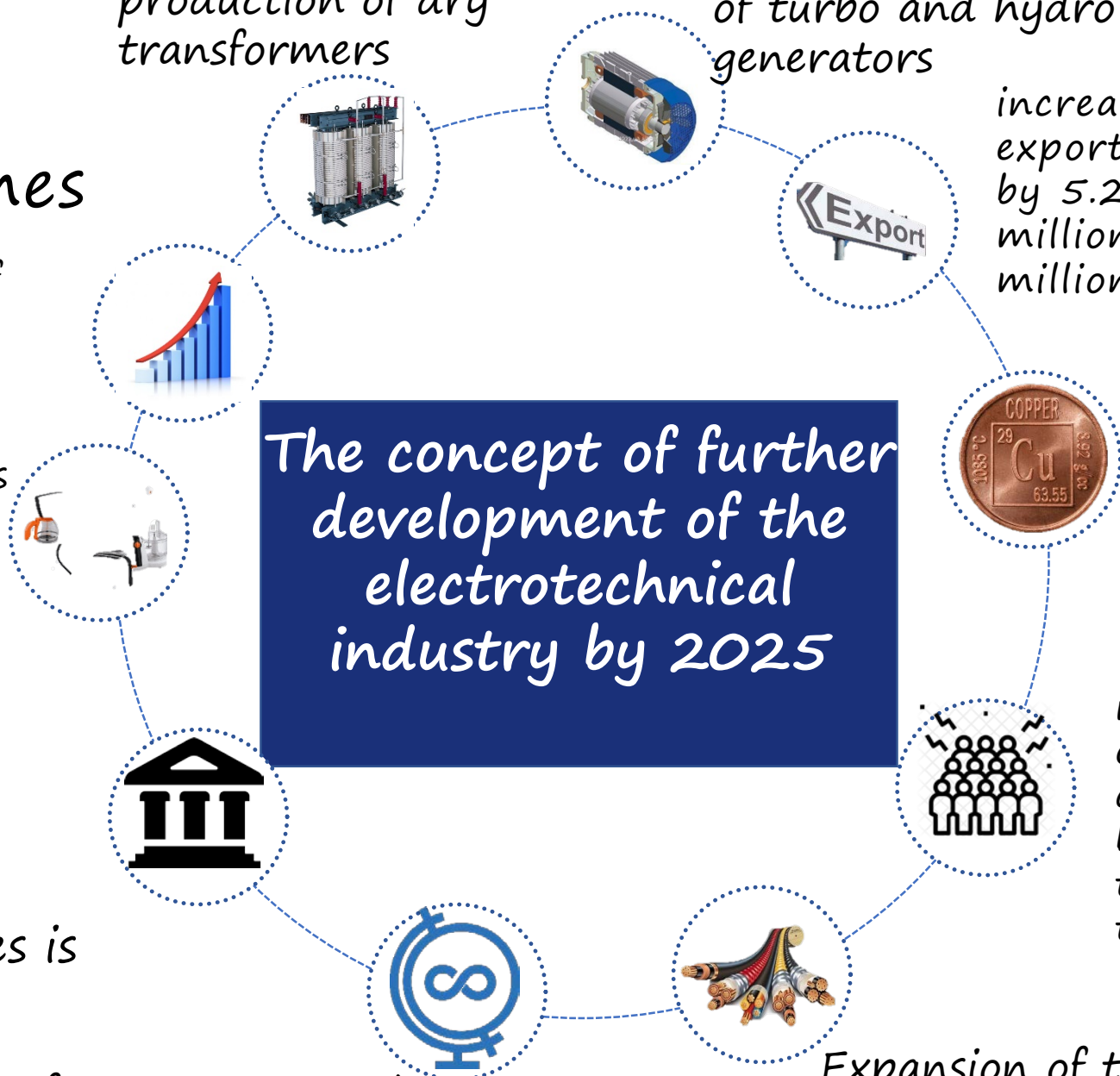
Expansion of export geography

Establishing the production of small household appliances is planned

Ensuring the level of coverage of the needs of the domestic market, depending on the type of electrical products, up to 72-100%.

2,6 times growth in production of commercial products

The concept of further development of the electrotechnical industry by 2025





Household appliances (35)

Products:

- TV sets
- Refrigerators
- Air conditioners
- Washing machines
- Gas and electric stoves
- Vacuum cleaners



Cabling and wiring products(15)

Products:

- Cable
- Wire
- Rod
- Copper lugs



Power electrical equipment and others (35)

Products:

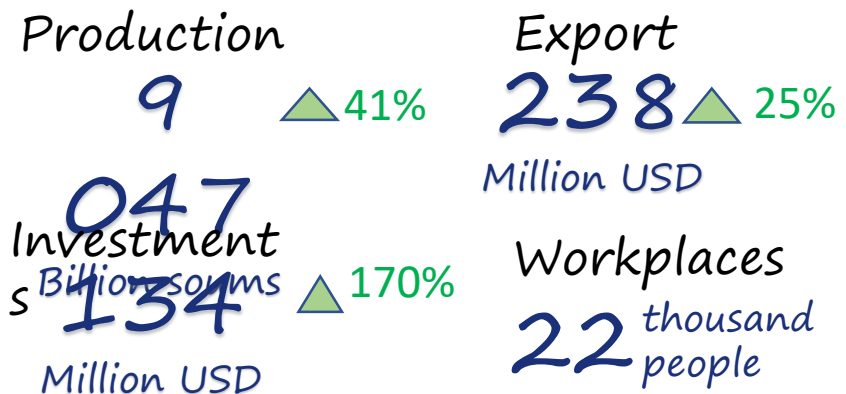
- ❖ Transformers
- ❖ Generators
- ❖ Switches
- ❖ Medical equipment
- ❖ others



Economic indicators of the Association "Uzeltekhsanoat" 2020 | January - October

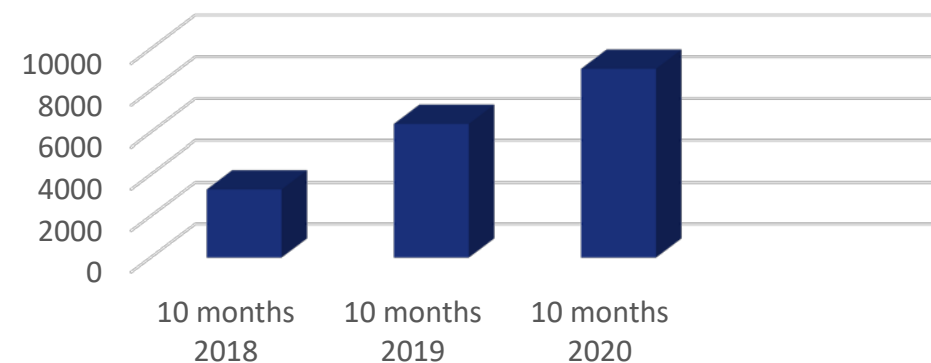
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Key figures

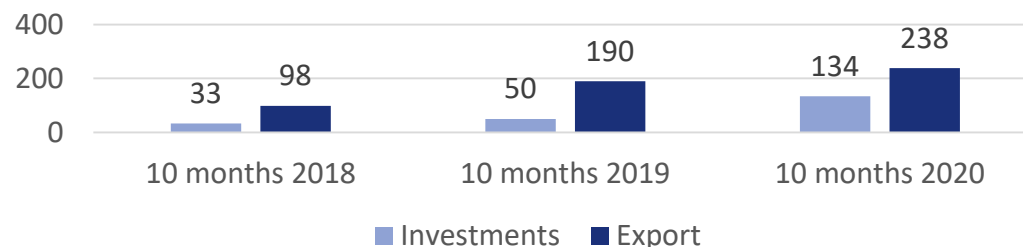


Dinamics

Production (billion soums)



Investments and Exports (mln USD)



- The industry's share in industrial production was 3.1%, and its share in total exports was 1.8%.
- In the first half of the year, the industry's enterprises processed 16.5 thousand tons (growth rate - 124.3%) of copper raw materials into finished products with added value, mainly cable.

Source: data of the association "Uzeltekhsanoat"



In 2018, "Green Line Profil" LLC was established for the production of aluminum profiles in the territory of the "Navoi" FEZ

- capacity is 36 thousand tons per year.
- The investment amounted to \$ 39.6 million.
- Created jobs - 700
- in the first half of 2020, the export of products for \$ 5.0 million



In Samarkand, in cooperation with the Turkish company Odul, "Ideal Elektro Lyuks" LLC was established to produce gas stoves, electric ovens, and washing machines.

- Investments amounted to about \$ 7.0 million.
- capacity of 600 thousand electric mini-ovens per year
- 30-40% of production is exported.
- The localization rate is 60%.
- The company employs 200 people.



SAMSUNG

Sales volume of "Samsung Electronics" for 3 years has grown from \$ 5.2 to \$ 32.3 million (6 times).

Products:

- TVs and monitors
- Refrigerators
- Air conditioning
- Washer
- Vacuum cleaner



I. The production of household boilers using the company's technology began in July 2019.

Production capacity - 10 thousand pieces.

I-Stage



II. The production of industrial boilers is currently being studied.

II-Stage



VIESSMANN

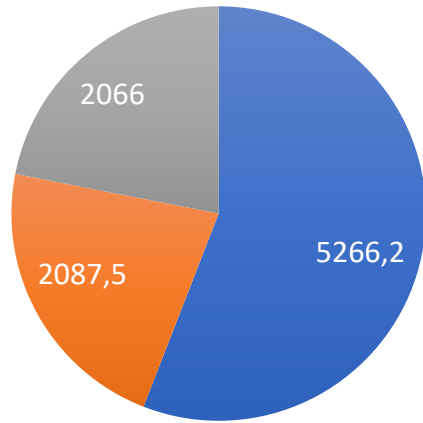


The production of gas meters using the company's technology began in February 2020.

Production capacity - 3.5 million pcs.

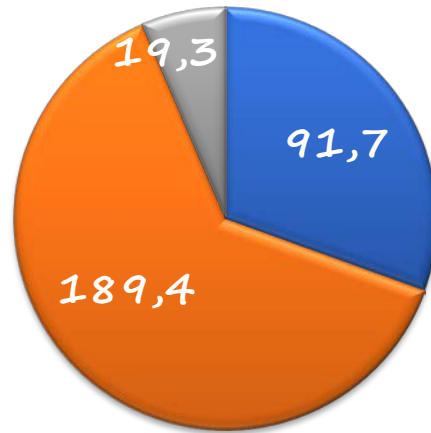


Production volume (billion soums)



■ Household appliances ■ Cables ■ power equipment and others

Export volume (mln USD)



❖ In 2020, production is forecasted for the amount of 9419 billion soums, and the total volume of exports should exceed 300 million US dollars.

❖ The volume of investments projected for 2020 is \$ 191.5 million, which is 2.7 times more than in 2019 (\$ 69.9 million),

❖ of which \$ 44.9 million will be direct foreign investments and loans (1.4 times more than

Forecast indicators of Uzeltekhsanoat enterprises (annual for 2020)

Source: data of the association "Uzeltekhsanoat"

