

# Uzbek Economy at Glance

March 14, 2007  
Tokyo, Japan



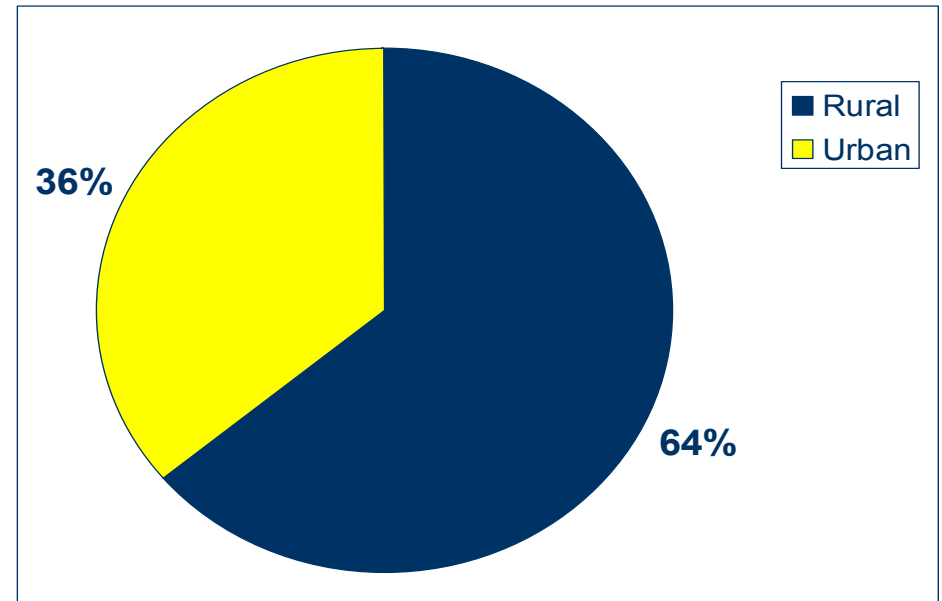
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# Geography

- Located in Central Asia
- One of the two doubly landlocked countries in the world
- Borders on Tajikistan, Kyrgyzstan, Kazakhstan, Turkmenistan and Afghanistan in the south

# Population

- Population of Uzbekistan amounts to 26.3 million
- Urban population 9.5 million
- Rural population 16.8



# Dynamics of main macroeconomic indicators for 2000-2006 demonstrate:

**Tendency of macroeconomic stabilization and acceleration of the country's economic growth**

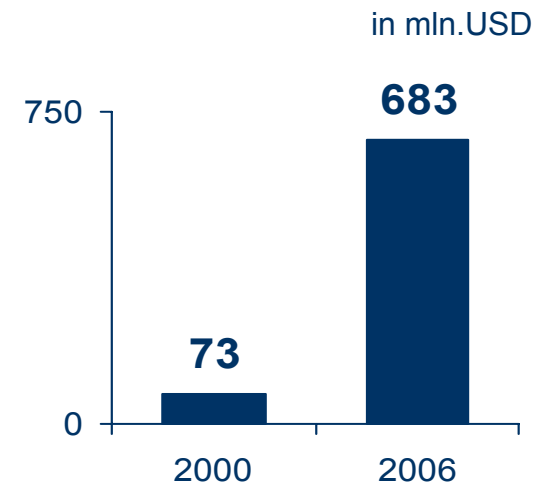
	2000	2001	2002	2003	2004	2005	2006
GDP	103.8	104.2	104.0	104.2	107.4	107.0	107.3
Industrial output	105.9	107.6	108.3	106.0	109.4	107.2	110.8
Agricultural output	103.1	104.2	106.0	107.3	108.9	106.2	106.2
Exports	0.9	-2.9	-5.7	24.6	30.3	11.5	18.0
Investments into main capital	100.9	104.0	103.8	104.8	107.3	105.7	109.1
Inflation (%)	24.9	27.4	27.6	10.3	1.6	6.4	8.7

# Industrial Policy

## Orientation On Industrial Policy in Uzbekistan is:

- To prioritize development of processing industries
- To promote mining and selectively developing of some industries serving agricultural and rural economic development
- To attract more foreign direct investment

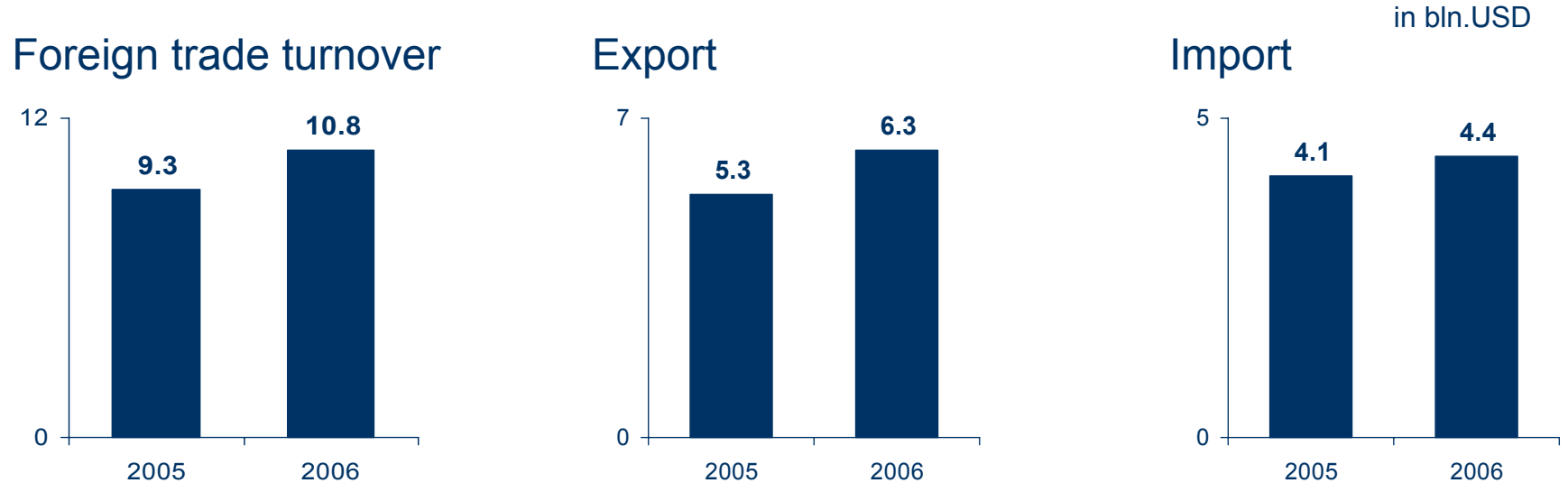
**Foreign Direct Investment increased 9.3 times since 2000**



# Industries with comparative advantage

- Processing industries (textile and garment, wood processing, agro-processing, beverage industries)
- Electricity
- Mining (gold, copper, gas)

# Key facts export/import goods and partners



The trade surplus in 2006 has exceeded 1.9 billion USD, which is the highest indicator for the past 15 years

# Export/Import

## The main export items

- Gold
- Cotton
- Zink
- Non-organic chemistry
- Plastics
- Grains, vegetables
- Fruits
- Automobiles

## The main export markets

- Russia
- United Kingdom
- USA
- Germany
- Turkey, Iran
- Kazakhstan, Azerbaijan, Tajikistan and Afghanistan

# Export/Import

## The main import items

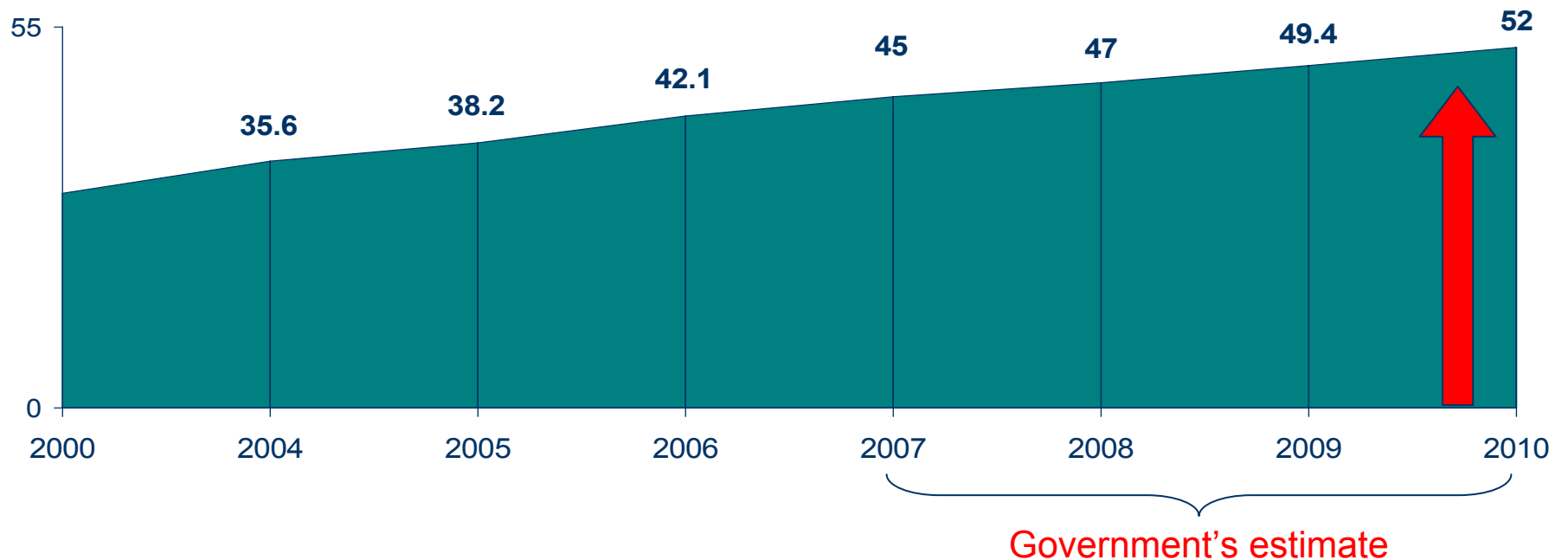
- Organic chemical compounds
- Dyes, paints and varnishes
- Perfumery-cosmetic and washing liquids
- Transport vehicles
- Oil and petroleum products

## The main import countries

- Russia
- Korea
- China
- Turkey, Iran
- Germany
- Kazakhstan

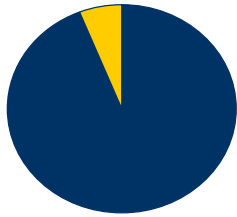
# Status of SMEs in Uzbekistan

The share SMEs in country's GDP is growing

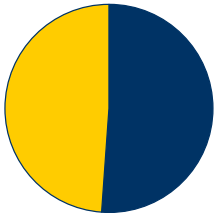


The Government of Uzbekistan set the ambitious goal of raising the of the GDP contributed by SMEs to 52% in 2010

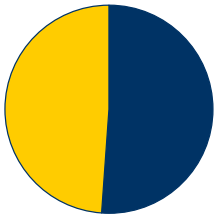
# Key facts on SME sector



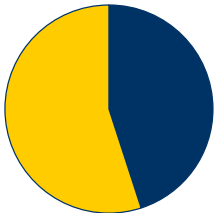
- SMEs produced 94.2% of the total agricultural products



- 51.0% of construction work



- 50.9 of paid services



- 45% of the total retail trade

# SME Sector

Government has serious intentions to develop the SME sector

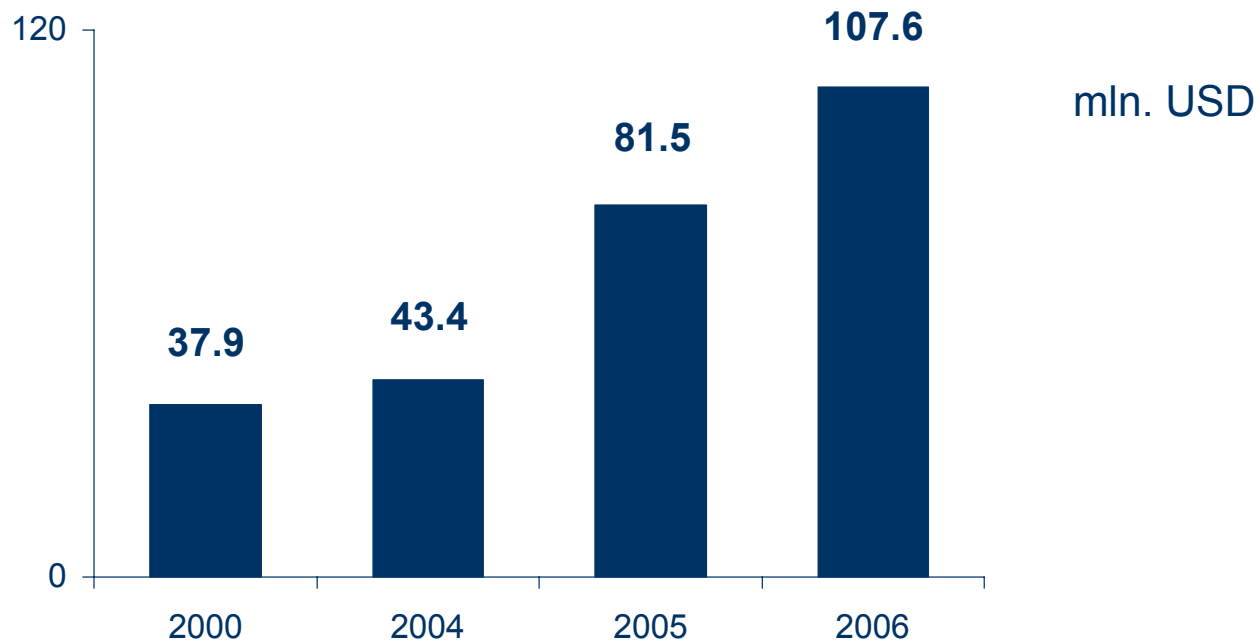
Only in 2005 the Uzbek Government has introduced new legislative acts and to promote BEE:

- Improving Legal Protection of Businesses
- Improving The System of Submitting Reports and Calculations
- Introduction of Single Tax Payment
- Ensuring uninterrupted access to cash
- Optimizing License and Permit Procedures
- Reducing and Streamlining Inspections
- Simplification of Registration Procedures

# SME Financing

Leasing market in Uzbekistan is growing

Today 14 leasing companies and 18 commercial banks render leasing services in the country



# SME Financing

## Credit Unions are Crucial in SME financing

- In 2005, the Government established a specialized “Mikrokreditbank” to satisfy the needs for financing
- In Uzbekistan, there are 37 credit unions operating countrywide and offering financial services for the SME sector.

Since 2002, credit unions in Uzbekistan created 12,000 jobs and provided entrepreneurs with simplified access to financing

# Industrial Clusters in Uzbekistan

- Industrial clusters such as sectoral and geographical concentration of enterprises in particular sub-sector are absent in Uzbekistan
- The Government encourages industrial enterprises operating in the same industrial sector to form associations and groups

## Perspective of Industrial Clusters in Uzbekistan

- Ministry of Economy is developing a legal framework to promote industrial clusters in Uzbekistan
- Ministry of Foreign Economic Relations, Investment and Trade is promoting “Localization Program” in regions of Uzbekistan to produce goods valued at 1.341.7 million USD.



**Thank you**