



# **INVESTMENT GUIDE TO THE FOOD PROCESSING SECTOR IN UZBEKISTAN**

**2009**

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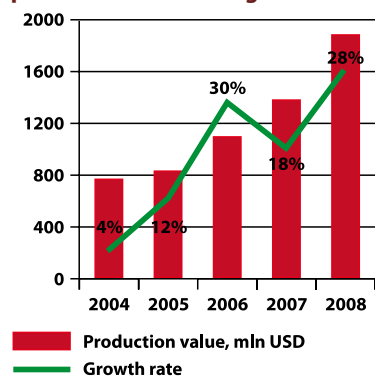
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**Figure 1: Food processing sector, production value and growth rate**



Source: State Statistics Committee

## EXECUTIVE SUMMARY

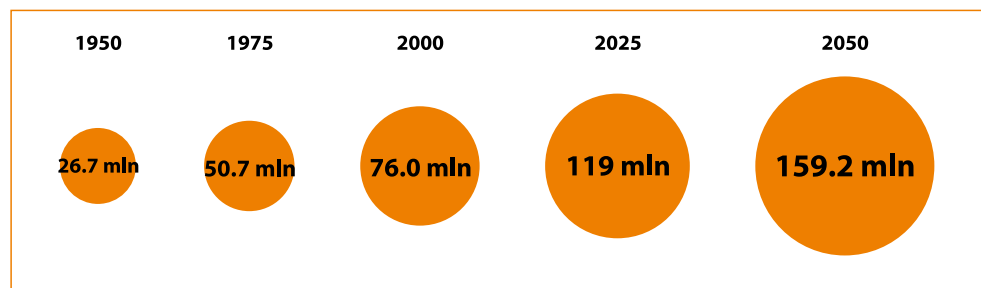
One of the main producers of fruit and vegetables in the CIS, Uzbekistan is a very fertile country. It produces a range of high quality agricultural products, from basic commodities such as cotton and wheat to higher value products such as cherries and pomegranates. The high quality and wide variety of products, availability of transport and logistics, easy access to the growing Central Asian and Russian consumer markets, vast pool of skilled and inexpensive human resources and wide variety of generous Government incentives conspire to make Uzbekistan one of the most promising investment destinations for food processing in the world today.

From the fruit orchards of the Fergana Valley to the cotton fields of Karakalpakstan, agriculture makes up over 20% of Uzbekistan's GDP and employs almost 30% of its labour force. Unfortunately, much of the country's agricultural output goes unprocessed. In season, a lack of adequate packaging and storage facilities causes a large volume of produce to be released onto the market, and this creates surpluses and steeply falling prices. In the off-season, basic produce such as apples are imported from China and Iran, and often cost up to five times as much as locally-produced fruits cost during the season. According to the Ministry of Foreign Economic Relations, Investments and Trade, only around 15% of fruit and vegetables grown in Uzbekistan receive any degree of processing, and industry insiders estimate that a considerable portion of the output is being wasted. Investments in the food processing sector are urgently needed and offer very promising business opportunities.

The food processing sector, taking advantage of this situation, is growing vigorously, as shown in Figure 1. At the same time, Uzbekistan's economy is opening up and expanding rapidly - the GDP growth rates in the last five years have been between 7.0 and 9.5% (with 9.0% growth in 2008). Uzbekistan's relative isolation has shielded it from the recent financial crisis sweeping across many emerging markets, as well as from many of the effects of the associated global recession. The Government Intelligence Unit, the IMF, the World Bank and the Asian Development Bank forecast an average (crisis-adjusted) growth rate of 7% over the coming years. Uzbekistan has a youthful population of 27.4 million, whose purchasing power is growing strongly and whose wage levels are extremely competitive at all levels of qualification. The regional economy is also growing rapidly - both in terms of purchasing power and, as shown in Figure 2, population. Uzbekistan's Government is keen to promote exports, and Uzbekistan has an excellent location for exporting to the rest of Central Asia, Russia, China, India and even the European Union. Rapidly growing exports to Afghanistan present another business opportunity.

*Uzbekistan, formerly one of the major food suppliers to the CIS countries, is well positioned to regain its leadership status in the region.*

**Figure 2: Population growth in Central Asia and Afghanistan (prospects for market growth)**



Source: United Nations, <http://unstats.un.org>

Uzbekistan, formerly one of the major food suppliers to the CIS countries, is well positioned to regain its leadership status in the region. Many of the major opportunities can be found in the food processing sector itself, but there are also good opportunities for investments in providing services to the companies that undertake food processing activities. Table 1 lists some of the major opportunities. In addition, as many of the factories located in Uzbekistan prior to independence were food processing plants, there are available many factories that are currently unused and that may be restored and modernized. Currently, 18 investment projects in the food sector are offered to foreign investors under the Government Investment and Privatization Programmes (see Appendix B).

However, food processing in Uzbekistan has its challenges. Most fruit and vegetable producers are small and have low levels of mechanization relative to western industrial farms; the distribution chain is developing, but still needs substantial investment; and quality standards are not uniform across products and producers. Those looking to invest in Uzbekistan's food processing sector will need to work with suppliers and service providers and help them perform to a high standard. At the same time, the Government of Uzbekistan is working hard to find solutions to these problems, welcomes foreign investors in the sector, and will do its utmost to ensure the eventual success of the operations.

**Table 1: Major opportunities for investors**

Food processing	Supplying the food processing sector
Canned and frozen foods	Logistics and storage
Fruit and vegetable processing	Wholesale
Dairy production	Packaging and labelling
Juice production	
Meat and poultry processing	
Edible oil production	

**Table 2: Advantages and risks of investing in Uzbekistan's food processing sector**

Advantages	Risks
Several underdeveloped sub-sectors ready for investment and in strong need of expertise	Convertibility and cash supply remain problematic
Well-developed agriculture	Heavy regulation and Government control
Good labour skills at all levels	Farms are often small and inefficient
Low wages	Wholesaling and distribution networks underdeveloped
Ample and growing population with steadily increasing purchasing power	Packaging and labelling industry underdeveloped
Swiftly growing regional population, and possibilities for export to the rest of Central Asia, Russia, and further afield	Almost no research and development in the sector

## 1. INTRODUCTION TO THE FOOD PROCESSING SECTOR IN UZBEKISTAN

*The food processing sector is, in the coming years, projected to be one of the fastest growing sectors in the country and in the Central Asian region.*

This Guide provides an overview of the food processing sector in Uzbekistan, the conditions under which companies in the sector operate, and the investment opportunities the sector offers. It is intended to complement the broader Investment Guide to Uzbekistan and Catalogue of Investment Opportunities, by highlighting conditions and opportunities for investors specifically interested in the food processing sector.

The food processing sector is, in the coming years, projected to be one of the fastest growing sectors in the country and in the Central Asian region. Not only does the country have abundant raw materials (with agriculture making up more than a fifth of GDP and agricultural output growing as farms become more efficient); it also boasts a range of other important inputs – from inexpensive overland access to the regional market, to well-qualified, low-cost labour – that bode well for investments in the sector.

Currently, the food processing sector is inefficient and underdeveloped. Only about 15% of fruit and vegetables produced receive any degree of processing – for a region with such distinct seasonal variations in production, the rate should be substantially higher. Similarly, the value of investments into the food processing sector as a share of total foreign investments in the country has been only around 4%- 5% in recent years. Moreover, in 2008 only 13% of all exported food products were processed foods. This situation, combined with a lack of modern packaging and adequate storage facilities, leads to the waste of a substantial portion of the fruit and vegetable harvest and necessitates off-season imports of simple produce like apples. Although a few companies are exporting processed foods, most of the food products exported from Uzbekistan have little value-added. Even relatively basic investments, such as modern cold-storage or quick-freezing facilities, are limited in number and small in scale. This stands in sharp contrast to consumer demand, which, as purchasing power has increased in line with the rapid economic growth of recent years, is becoming more and more sophisticated. Uzbekistan ends up losing part of its export potential and importing products that it could easily produce within its borders.

*Only about 15% of fruit and vegetables produced receive any degree of processing.*

As shown in Table 3, the food processing sector, aiming to take advantage of these opportunities, is growing vigorously, but inconsistently and from a low base. After a record 30.2% growth in 2006, growth slowed to 17.6% in 2007 as food processing companies faced considerably higher input prices (as a result of the rise in world food prices). In response, in 2008, and in order to protect consumers and local food processors, the Government introduced restrictions on exports. This led to an increased supply in the internal market and a decline in prices, which ultimately resulted in a 28.2% surge in production.

**Table 3. Food processing sector - production value and growth rate**

		2004	2005	2006	2007	2008
Production value <sup>1</sup>	USD	760.3	817.4	1,073.8	1,357.9	1,866.3
Growth rate of production value	%	4.4	11.8	30.2	17.6	28.2

**Source:** State Statistics Committee

It should be noted that the food processing sector enjoys strong Government support. Under the Investment and Privatization Programmes, 18 investment projects are being offered. In the Welfare Improvement Strategy, adopted in August 2007, the Government underlines its commitment to private sector development in general and export-oriented manufacturing and services in particular. Substantial investment projects in infrastructure, education and agriculture are also being implemented. At the same time, the Government is working to reduce considerably, in the coming years, the transaction costs faced by export-oriented manufacturers.

<sup>1</sup>Values are given in nominal prices



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## 2. BUSINESS ENVIRONMENT FOR FOOD PROCESSING COMPANIES IN UZBEKISTAN

*Agricultural productivity has been improving continuously. The Government, through its Modernization and Technical Re-equipment Programme, encourages the introduction of new technology and the emergence of industrial-scale farms.*

This section will discuss the major factors affecting food processing companies in Uzbekistan. Agriculture is, of course, the single most important input and will be discussed at length, followed by wholesale and logistics, quality standards, infrastructure, consumer spending patterns and trends, human resources, research and development opportunities, incentives and Government programmes.

### 2.1 Agriculture

*‘Most importantly, the owner has emerged... the owner of land. His attitude towards labour and the results of his work is changing radically’*

**President I.A. Karimov**

The agricultural sector is one of the flagships of the Uzbek economy. Before independence in 1991, Uzbekistan specialized in cotton, fruit and vegetables, with over 70% of all irrigated land devoted to cotton. In the years since independence and large-scale privatisation, Uzbekistan’s agriculture has retained its solid reputation in the region, while diversifying its output. At the same time, the major part of the sector has been transferred to private hands. Private farmers today produce 98% of all agricultural products (see Box 2 for details).

According to the Chamber of Commerce and Industry, agricultural products made up 57% of all exports during the 1990s. That share has fallen considerably due to the disproportionate growth of the manufacturing sector. Agriculture’s share of GDP has also fallen, although its absolute output has grown. Still, in 2008, agriculture constituted 19% of GDP and more than 28% of employment.



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**Table 4: Agriculture and other sectors, as percentage of GDP**

	GDP	Sector, % of GDP				
Period	Real growth rate	Industry	Agriculture	Construction	Services	Other
2003	4.4	15.8	28.6	4.5	37.4	13.7
2004	7.7	17.5	26.4	4.8	37.2	14.1
2005	7.0	20.7	25.0	4.9	38.4	11.0
2006	7.3	22.1	24.1	5.1	39.5	9.2
2007	9.5	24.0	21.7	5.5	39.3	9.5
2008*	9.0	22.3	19.4	5.6	43.4	9.3

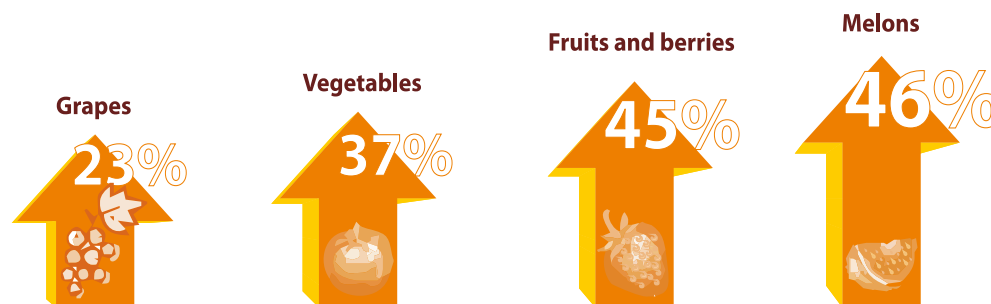
**Source:** State Statistics Committee

\* Preliminary estimates



Agricultural productivity is low compared to the productivity of other sectors of the economy, and very low compared to Western Europe. However, it has been improving continuously. The Government, through its Modernization and Technical Re-equipment Programme, encourages the introduction of new technology and the emergence of industrial-scale farms. Recently, international organisations have funded large-scale efforts to improve water resource management and land quality. Major productivity improvements can be expected in the coming years and are likely to result in abundant and increasing supplies of the agricultural products required by food processing companies.

**Figure 3: Yield of selected crops, tonnes/ha, 2000 - 2008**



**Source:** State Statistics Committee, Centre for Economic Research

There is a State procurement system for strategic crops such as wheat and cotton, whereby the State purchases the majority of the domestic output of these crops. The State also has minority shares in most of the agrofirms responsible for wholesale and distribution. This State involvement is being decreased gradually – the decision to privatize all non-strategic sectors, including agribusiness, has been taken and is being implemented. Some sectors, such as fruit and vegetables, meat, and dairy, are already liberalised.

At the same time, the Government has introduced a series of measures to boost agricultural productivity and replace many of the cotton fields with fruit and vegetable farming<sup>2</sup>. A number of Government-guaranteed investments into irrigation infrastructure, and a new association to help ensure an improved quality of seeds, have been set up; cattle and dairy farming enhancement projects are being imple-

#### Box 1. Major projects supporting agriculture in Uzbekistan

There are several programmes in place to support agriculture in Uzbekistan. The World Bank has awarded almost USD 68 million in funding to the Uzbekistan Rural Enterprise Support Project (RESP), which helps newly-independent farmers to increase their productivity and operate on a more sustainable basis. In 2009, the Abu Dhabi Development Fund is planning to start the implementation of three new irrigation projects with a total cost of USD 278 million. The Asian Development Bank has provided a loan of USD 100 million for the improvement of water resources management and the condition of lands in the Andijan, Navoi, Namangan, Samarkand and Fergana provinces. Finally, the Fund for the Reconstruction and Development of Uzbekistan, between 2008 and 2010, is financing credits for investments that upgrade Uzbekistan's agricultural equipment.

One of the most active projects currently being implemented is the USAID-funded AgLinks Project. Operating from 2008 to 2011 and encompassing over 1,100 farms, agrifirms and agricultural service providers, the project helps farms to increase their yield of fruit and vegetables. It does this by establishing links between producers and local service providers such as processing enterprises, fertiliser suppliers and distributors. The project also introduces modern technology, helps to improve access to credit and other sources of financing, and works to eliminate administrative and legal constraints on the development of the fruit and vegetables sector.

<sup>2</sup> Presidential Decree UP-4041 of 20 October 2008, "On measures to optimize the area under crops and increase the cultivation of food crops".

## Box 2: Land ownership system

Today the land ownership system consists of three types of agricultural company:

1. Private commercial farms, each with an average area of 90-100 hectares for wheat and cotton farms, 20-30 hectares for vegetable farms and 160-170 hectares for cattle farms. In total these account for 85% of the total agricultural area.
2. 'Dehkan' farms – personal household plots of up to 0.35 hectares on average, which together constitute around 12% of the total agricultural area.
3. Large-scale State-owned agricultural enterprises, which account for less than 3% of the total area and are mainly intended for research and development in the agricultural sector.

**Source:** President I. A. Karimov's Annual Report, 2009; Azizur Rahman Han, *System of Land Ownership, Agriculture and Poverty in Uzbekistan*, 2005

mented<sup>3</sup>; and a large-scale USAID-funded agricultural assistance project is being rolled out.

With the exception of cotton and wheat cultivating farms, average farms in the country are small. However, the Government has started encouraging farm restructuring, so that small and inefficient farms will be merged into large industrial-scale ones. A successful food processing company has the opportunity to invest in relationships with farmers and, in exchange for giving farmers the means, capital and knowledge they need in order to increase their productivity, the company can benefit from a reliable supply of high quality produce.

**Table 5: Area under food crop in Uzbekistan and its regions in 2008, thousand ha.**

	Total area		Grains		Vegetables		Melons		Fruit and berries		Grapes	
<b>Uzbekistan</b>	<b>2,163.7</b>	<b>100%</b>	<b>1,559.5</b>	<b>100%</b>	<b>222.2</b>	<b>100%</b>	<b>42.2</b>	<b>100%</b>	<b>214.4</b>	<b>100%</b>	<b>125.4</b>	<b>100%</b>
Republic of Karakalpakstan	103.5	5%	80.6	5%	11.6	5%	6.5	15%	4.3	2%	0.5	0%
Andijan	141.5	7%	92.2	6%	17.2	8%	0.9	2%	27	13%	4.2	3%
Bukhara	120.7	6%	88.4	6%	10.6	5%	1.9	5%	10.3	5%	9.5	8%
Djizzakh	228.2	11%	194.4	12%	10.6	5%	6.3	15%	12	6%	4.9	4%
Fergana	192.8	9%	129.4	8%	18.7	8%	1.3	3%	38.5	18%	4.9	4%
Kashkadarya	281.6	13%	240.7	15%	16.5	7%	4.6	11%	11.2	5%	8.6	7%
Khorezm	99	5%	65.1	4%	15.9	7%	4.5	11%	11.4	5%	2.1	2%
Namangan	148.2	7%	88.4	6%	19.8	9%	1.6	4%	25.6	12%	12.8	10%
Navoi	64.8	3%	48.2	3%	4.4	2%	1.1	3%	4.6	2%	6.5	5%
Samarkand	269.4	12%	165.3	11%	34.6	16%	3.1	7%	27.8	13%	38.6	31%
Surkhandarya	162.9	8%	117.5	8%	15.5	7%	1.9	5%	13.3	6%	14.7	12%
Syrdarya	115.4	5%	98.8	6%	5.5	2%	4.7	11%	4.9	2%	1.5	1%
Tashkent	235.7	11%	150.5	10%	41.3	19%	3.8	9%	23.5	11%	16.6	13%

**Source:** State Statistics Committee

<sup>3</sup>The joint project of the Ministry of Agriculture and Water Resources of Uzbekistan, UNDP and the Israeli Centre for International Cooperation (MASHAV), "On the sustainable development of livestock in the Republic of Uzbekistan". The project will help Uzbek farmers manage, and improve the productivity of, dairy cattle farms, by sharing know-how and technology, holding a number of training sessions in Israel and Uzbekistan, and assisting farmers in obtaining genetic material and equipment for artificial insemination. The project will use a comprehensive approach to assist in the improvement of milk production and livestock breeding. As an example of support being provided under the project, Israeli experts on the design of modern dairy farming systems, herd books, nutrition and forage will hold a number of seminars in Uzbekistan in 2009.



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As shown in Table 5, grains constituted 72% of the area under food crops in 2008. Fruit (excluding grapes and melons), berries and vegetables together make up another 20%, and grapes and melons account for the remaining 6% and 3%, respectively. There are some regional variations: more than one-third of the total area under vegetables and one-quarter of the area under fruit and berries is in the Samarkand and Tashkent regions. The Fergana Valley (consisting of the Fergana, Namangan and Andijan provinces) has the largest area under fruit and berries (42% of the total area under fruit and berries). Overall, though, the agricultural profiles of the different regions do not vary significantly, and ample supplies of a variety of products should generally be available in any given region

**Table 6: Livestock in Uzbekistan and its regions in 2008, thousand head**

	Total cattle (incl. dairy cow)		Dairy cow		Sheep and goats	
<b>Uzbekistan</b>	<b>7,458</b>	<b>100.0%</b>	<b>3,125</b>	<b>100.0%</b>	<b>12,636</b>	<b>100.0%</b>
Republic of Karakalpakstan	666	8.9%	219	7.0%	654	5.2%
Andijan	593	8.0%	254	8.1%	680	5.4%
Bukhara	685	9.2%	286	9.1%	1,269	10.0%
Djizzakh	496	6.7%	188	6.0%	1,150	9.1%
Fergana	580	7.8%	242	7.7%	491	3.9%
Kashkadarya	773	10.4%	322	10.3%	2,387	18.9%
Khorezm	625	8.4%	245	7.8%	317	2.5%
Namangan	427	5.7%	159	5.1%	541	4.3%
Navoi	263	3.5%	125	4.0%	1,616	12.8%
Samarkand	1,046	14.0%	511	16.3%	1,388	11.0%
Surkhandarya	569	7.6%	257	8.2%	1,450	11.5%
Syrdarya	224	3.0%	90	2.9%	151	1.2%
Tashkent	512	6.9%	227	7.3%	543	4.3%

**Source:** State Statistics Committee Centre for Economic Research

Table 6 shows the current livestock numbers in Uzbekistan and its regions. Sheep and goats dominate, followed by cattle. The stock is growing by 4-6% per year, and livestock rearing is at its most intensive in regions such as Samarkand, Kashkadarya and the Fergana Valley. The demand for poultry is rising sharply, and a number of poultry farms have started appearing. There is, therefore, significant potential for investment in the area of livestock processing.



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### 2.1.1 Cotton and wheat



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The wheat and cotton markets remain under strong Government control. Before independence, cotton was one of the country's main exports. Today, Uzbekistan produces over one million tonnes of fibre annually, and is the world's fifth-largest cotton producer and the second-largest exporter - by itself, cotton made up 9.2% of all exports in 2008.

Over five million tonnes of wheat are produced each year in Uzbekistan, enough to cover almost all domestic demand. Because of climatic conditions and crop selection, however, the quality of the output remains below that of Canada, Russia and even Kazakhstan. The Government buys domestically-produced wheat at prices below the world market level, and exports are only allowed in the form of ready-made confectionery products.

Lately, responding to increases in the global demand for foodstuff, as well as the recession-driven reduction in the demand for cotton fibre, the Government has re-aligned its priorities. Presidential Decree #UP-4041 of 20 October 2008 is intended to stimulate the production of food crops on the plot areas previously allocated to cotton.

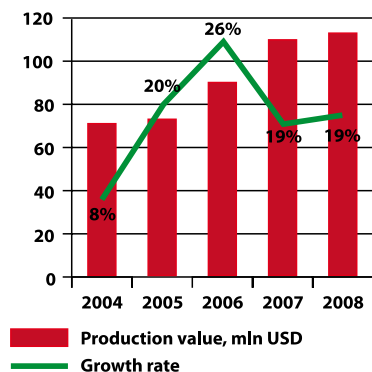
### 2.1.2 Fruit and vegetables

The quality of Uzbek fruit and vegetables has for many years been renowned throughout the CIS. Even now, Uzbek apples and peaches, primarily from the Fergana Valley, find their way to Kazakhstan and Russia. The country currently has over 200,000 ha. of orchards. After a slump in the early 1990s, the production of fruit and vegetables is growing steadily, and the potential for further growth is substantial. Therefore, the agricultural sector is capable of expanding to accommodate an increased demand for exports and additional demand from the domestic food processing sector. Still, at present, only about 15% of fruit and vegetables are processed – a rate far below that of Kazakhstan, Russia and the European Union. Up to 25% of the harvest is estimated to be wasted because of market surplus, inadequate logistics and inadequate packaging materials. In order to reduce such wastage, it is necessary to increase the proportion of fruit and vegetables that undergo processing.

Prices for fruit and vegetables in the Uzbek market are below world market levels. Government measures imposed in 2008 to protect the domestic market, in particular domestic consumers and local food processing companies, by restricting the export of fresh produce, have led to an oversupply of fresh fruit and vegetables at low prices. This has created substantial opportunities for food processing companies to reduce production costs and increase export revenues. In line with its policy of promoting the export of high value-added products, the Government emphatically welcomes export-oriented, food processing-related, investments by foreign companies.

In terms of the production of fresh fruit, seed-bearing and stone-bearing fruit account for the lion's share of output: 91% of total fruit production in 2007. However, there is significant potential in high value-added crops such as nuciferous fruit and sub-tropical fruit, as shown in Table 7.

**Figure 4. Production of processed fruit and vegetable goods in 2004-2008, production value and growth rate**



Source: State Statistics Committee

**Table 7: Production of fresh fruit in 2004-2008, thousand tonnes**

Type of fruit	2004	2005	2006	2007	2008
Seed-bearing fruit (apples, pears, quinces and others)	802.4	891.9	632.8	687.5	na
Stone-bearing fruit (cherries, plums, sweet cherries, apricots, peaches and others)			459.4	468.3	na
Nuciferous fruit (walnuts, filberts, almonds, pistachios and others)	20.0	20.6	23.6	29.9	na
Sub-tropical fruit (figs, persimmons, pomegranates and others)	4.3	4.9	5.1	5.7	na
Bush berries (strawberries, raspberries, gooseberries and others)	24.4	31.1	60.8	77.9	na
Citrus fruit (lemons, oranges, mandarins and others)	0.6	0.8	0.5	0.7	na
<b>Total – all types of fruit</b>	<b>851.7</b>	<b>949.3</b>	<b>1,182.2</b>	<b>1,270.0</b>	<b>1,402.8</b>

**Source:** State Statistics Committee

A rapidly growing category is bush berries, the output of which has trebled between 2004 and 2007 to meet growing domestic demand.

In the case of vegetables, tomatoes make up almost one-third of the steadily growing production, followed by potatoes, carrots, and onions. The production of these and other vegetables is shown in Table 8.

**Table 8: Production of fresh fruit in 2004-2008, thousand tonnes**

Type of vegetable	2004	2005	2006	2007	2008
Tomato	1,245.5	1,317.2	1,583.6	1,586.2	na
Cucumber	184.3	200.2	258.6	266.8	na
Onion	539.0	546.3	591.1	653.9	na
Cabbage	273.6	287.3	369.2	390.1	na
Carrot	500.0	505.8	745.2	834.2	na
Garlic	29.1	32.1	38.0	39.2	na
Potato	895.7	924.2	1,021.0	1,189.0	na
Other	564.6	628.6	708.4	921.5	na
<b>Total – all types of vegetable</b>	<b>4,231.8</b>	<b>4,441.7</b>	<b>5,315.1</b>	<b>5,880.9</b>	<b>6,616.1</b>

**Source:** State Statistics Committee



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Even if the surplus existing production is utilised, there is still enormous potential for additional production. Fruit and vegetable farms are currently operating below optimal capacity, often without the latest agricultural technology. Efficient distribution systems should ensure that food processing companies are able to benefit from a flexible and reliable supply of local produce.

The Government is currently devoting a lot of its attention to the development of Uzbekistan's fruit and vegetables sector. The Presidential Resolution #PP-255 of 11 January 2006, "On measures for reforming the organization of the fruit, vegetables and viticulture sectors", as well as the Presidential Resolution #PP-1047 of 26 January 2009, "On supplementary measures to increase the production of foodstuff and satisfy the demand in the domestic market", identify important measures for the further development of the fruit and vegetables sector. These measures aim at developing market infrastructure in the agribusiness sector, by promoting the creation of distribution, storage and supplying enterprises, developing investment projects aimed at expanding export volumes, and introducing tax breaks and reduced tax rates for enterprises operating in the sector.

### 2.1.3 Dairy and meat

The production of both dairy and meat products grew rapidly between 2003 and 2008, with growth rates averaging 17% and 22%, respectively. In the past five years, both dairy and meat production has more than doubled.

However, dairy farms are often very small, with low productivity, sometimes yielding only a few litres of milk a day. Recently, the Government announced large-scale measures to increase the productivity of Uzbekistan's dairy farms to Western European levels. At the same time, there is in place no organized system of cold-chain milk transport. Consumer demand for dairy products is set to rise, but Uzbek consumers still rely mainly on raw milk, or unprocessed milk bought directly from farmers.

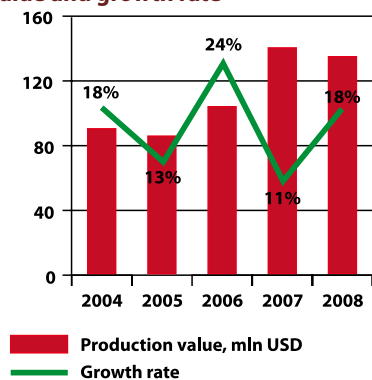
Cattle farms are plentiful, and the quality of Uzbek meat is generally high. Relative to other CIS countries, Uzbekistan has maintained the quality of its livestock throughout the reform period. Government policy has been directed at increasing livestock numbers in order to ensure employment and food supply. For example, Presidential Resolution # PP-842 of 21 April 2008, "On supplementary measures to promote the rearing of livestock on commercial and dehqan farms and growth in the production of meat and dairy goods", provides for inexpensive loans, as well as tax and customs benefits, to be given to livestock farmers. The Government has also recently passed a series of measures to increase cattle farm productivity, granting almost USD 100 million worth of micro-credit to cattle farmers wishing to expand their capacity in the period 2008 – 2010. The Government is also working to ensure major improvements to auxiliary services.

**Table 9: Production of meat and milk in 2004-2008, thousand tonnes**

Type of product	2004	2005	2006	2007	2008
Meat	998.3	1,061.2	1,139.6	1,208.7	1,287.9
Milk	4,280.5	4,554.9	4,855.6	5,097.5	5,426.3

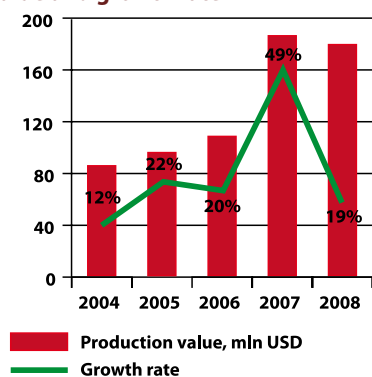
Source: State Statistics Committee

**Figure 5. Production of processed dairy products in 2004-2008, production value and growth rate**



Source: State Statistics Committee

**Figure 6. Production of processed meat products in 2004-2008, production value and growth rate**



Source: State Statistics Committee

## 2.2 Wholesale and logistics

The quality and efficiency of wholesale and logistics operations remain low, but are improving steadily. Fruit and vegetable wholesale is handled by agrofirms – farmer cooperatives established around the country mainly to promote agricultural exports (see Box 3). They are licensed by the Government under a specific regulatory framework, but suffer from chronic underinvestment, partial monopolies, and a lack of expertise. They charge a margin of up to 20% for their services. As a result, food processing companies frequently organize their own logistics and establish direct relationships with the individual farmers, rather than use the services of the agrofirms. However, the Government is actively promoting foreign investment in agrofirms, and so the situation may improve in the coming years.

Dairy wholesale and logistics are generally handled by the dairy manufacturers themselves. No efficient wholesale system has yet been developed, and dairy companies need to cooperate with farmers in order to ensure the quality and reliability of supplies.

### Box 3: Agrofirms in Uzbekistan

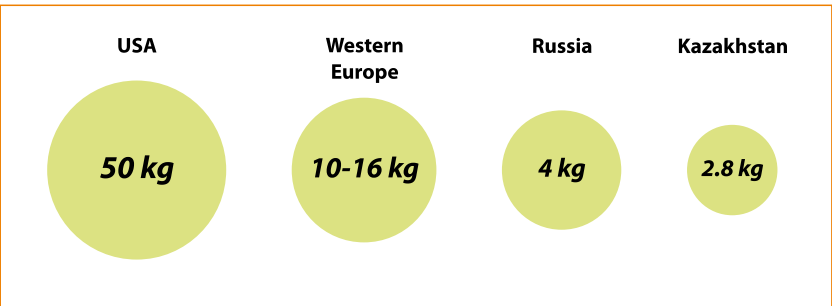
An agrofirm is a specific, partially tax-exempt type of agricultural wholesale cooperative enterprise that was established by the Government to allow farmers to collaborate on issues such as logistics, quality control and wholesale. Agrofirms are owned by farmers and fruit and vegetable processing companies in the same vicinity. At present, there are around 200 agrofirms in operation in Uzbekistan, some of them with a monopoly on wholesale for their particular region.

As recently founded enterprises with little professional capacity, agrofirms often do not operate at maximum efficiency. As a result, they are frequently bypassed as mediators between farmers and processing companies, a situation which creates substantial inefficiencies in the economy. For that reason, agrofirms represent an excellent investment opportunity for companies with capital and skill in agricultural wholesale. Such investments are strongly encouraged and supported by the Government.

## 2.3 Consumers: spending patterns and trends

In recent years, economic growth in Uzbekistan has hovered at just under 10% per annum. Partly shielded from the impact of the financial crisis and the ensuing global recession, and because of its low base, growth is likely to buck global trends and remain relatively vigorous in the years to come. The Government's recently enacted Welfare Improvement Strategy aims to increase domestic per capita purchasing power by 75% by 2015. Given its low base, the chances for success are high.

**Figure 7: Consumption of canned fruit and vegetables in selected countries, kg/capita/year**



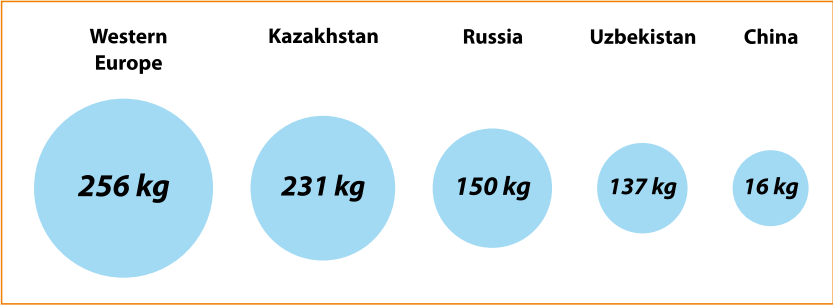
Source: Marketing Service Bureau



*Uzbek consumers, as well as their counterparts from Central Asian countries are starting to consume more processed food as their purchasing power increases.*

True to expectations, Uzbek consumers, as well as their counterparts from Tajikistan, the Kyrgyz Republic, and Turkmenistan, are starting to consume more and more processed food products as their purchasing power increases. Sales figures for fruit juice and bottled water have skyrocketed: within the last three years the sales volume has increased by 48%, while sales turnover has increased by 67% – although there is still a long way to go to reach the per capita consumption levels of Kazakhstan and Russia.

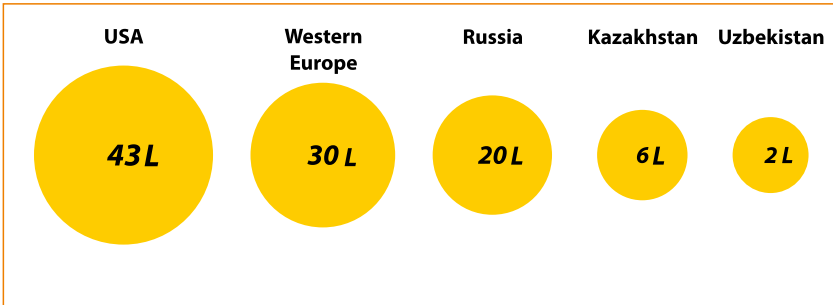
**Figure 8: Consumption of milk in selected countries, kg/capita/year**



Source: FAO

Figure 7 shows the consumption of canned fruit and vegetables, which in neighbouring Kazakhstan stands at just over 5% of US levels, with both Russia and Western Europe considerably ahead. However, it should be noted that the per capita consumption of canned fruit and vegetables in Kazakhstan has doubled in just the three years between 2002 and 2005, in the wake of rapid economic growth. Uzbekistan, with its growing disposable income per capita, follows the same trend. Another example is milk consumption (see Figure 8), which experienced double-digit growth over the last decade, and reached 137 kg per person per year in Uzbekistan, although is still small compared to the 231 kg in Kazakhstan and 256 kg in Western Europe.

**Figure 9: Consumption of fruit juice in selected countries**



Source: Marketing Service Bureau



Although reliable consumer data is difficult to find in Uzbekistan, investors can safely count on double-digit annual growth over the next decade for most premium, high value-added products – in the region in general as well as in Uzbekistan in particular. Juice consumption data give an indication of the rate of growth that can be expected: to reach Russian levels, Uzbek consumers would have to purchase 10 times as much as they do today. Guidance can also be obtained by considering the experience of Kazakhstan, whose economy has, due to the resource boom, grown considerably faster.

## 2.4 Packaging and labelling

The availability and quality of packaging and labelling products in Uzbekistan are still relatively poor. Substantial investments are needed if the quality of these products is to reach international standards, and food processing companies are likely to have to spend some effort in securing adequate supplies. Some local companies could, with a degree of additional investment, supply customized products to food processing manufacturers. There are, for example, a few glass jar manufacturers as well as some other, specialized, producers, but relatively simple products like cardboard boxes for packaging fruit still have to be imported. The Government localization programme could provide substantial support for investments in this area.

## 2.5 Quality standards

Substantial work, by both agricultural and other suppliers, is needed to ensure that products meet the required quality standards. While agrofirms are supposed to ensure that the exported produce meets the phytosanitary requirements of Russia and, for some products, the EU, much more work is needed. Food processors highly dependent on the quality of the produce will have to work directly with agrofirms and farmers in order to ensure adequate supplies of high quality produce.

International quality standards, such as ISO 9001, are slowly spreading throughout the country. So far, though, only a few companies have obtained certification.

## 2.6 Human resources and labour costs

Due to consistent and relatively large investments in the education sector, standards of education in Uzbekistan remain high relative to those of neighbouring countries. The country has a large number of specialists in areas such as accounting and engineering. After the establishment of private universities, and following a growth in demand for educational services provided by the private sector, further steps have been taken to increase quality across the board.

Food processing companies are well served with both skilled and semi-skilled graduates. As shown in Figures 10 and 11, there are almost 21,000 Uzbek students enrolled in food processing-related courses of study at professional colleges (18,500 students) and higher educational institutions (2,500 students).

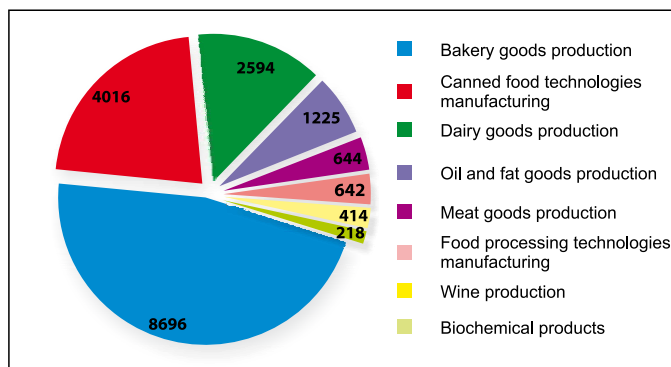
Although the availability of tertiary-qualified graduates is good compared to other countries at sim-



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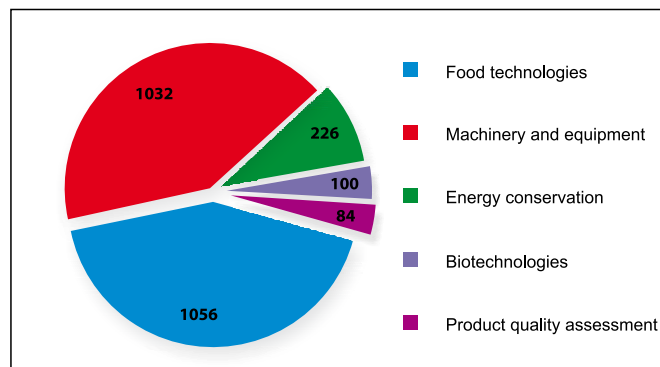
*Due to consistent and relatively large investments in the education sector, standards of education in Uzbekistan remain high relative to those of neighboring countries.*

**Figure 10: Number of students enrolled in food processing- related courses at professional colleges, by major subject of study, 2007/2008 academic year**



Source: MFERIT

**Figure 11: Number of students enrolled in food processing-related courses at higher educational institutions, by major subject of study, 2007/2008 academic year**



Source: MFERIT

ilar stages of development, foreign investors have to be prepared to invest in developing their own human resources to meet their expectations and requirements.

In terms of labour costs, Uzbekistan is very competitive. Even senior management and experienced engineers can be employed at a fraction of the cost of that in developed markets, as shown in Table 10.

The labour cost for an employee will depend heavily on location, education, level of experience and language skills. Whereas Russian is near-universal, English-speaking graduates tend to command wages at the higher end of the spectrum.

**Table 10: Average labour costs in the industrial sector (USD per month, including taxes and other deductions)**

Type of skill	Monthly cost per employee
Senior management	600-700
Middle management	300-450
Lower management	250-350
Senior engineer	350-400
Engineering graduate	170-200
Technician	150-200
Low skilled labourer	100-150

Source: UNDP, Cost of Doing Business in Uzbekistan 2009

## 2.7 Research and development opportunities

Although there is currently very little investment into research and development in Uzbekistan's food processing sector, there is a great deal of potential. Uzbekistan has a large pool of qualified graduates; in addition, many Uzbek expatriates with tertiary degrees may return home given appropriate professional opportunities. There are four agrarian higher educational institutions, ten research institutions and over 150 specialised secondary schools serving the food processing sector in Uzbekistan. So far, there is very little in the way of cooperation between the private sector and universities – but the Government is keen to establish such linkages.

## 2.8 Incentives and Government programmes

There are a number of incentive schemes and Government programmes that could benefit investors in the sector. Some are open to all investors, while others are open only to ventures that involve foreign capital. Incentives include:

- Tax breaks for investments involving foreign capital: enterprises with investments of USD 300,000 or above are exempt from single tax payments, income tax and several other taxes for three to seven years, depending on the amount invested.
- Exemptions from customs duty and VAT for imported technological equipment used in investment projects.

In addition, the Government has set up a 2008-2010 'Programme on localisation of production of finished goods, spare parts and materials, on the basis of industrial cooperation'. The Programme was developed by the Ministry of Foreign Economic Relations, Investments and Trade, the Ministry of Finance and the Uzbek Chamber of Commerce and Industry, together with local companies, business associations and industries. The goal of the Programme is to increase the production of machinery and equipment that can substitute for current imports of technological equipment. As the food processing sector is underdeveloped, especially in view of the vast agricultural potential, the sector has been identified by Government to be one of the priority sectors that will be assisted through the Programme.

For products manufactured under the localisation schemes, companies obtain a number of benefits: income tax exemption, property tax exemption, single tax payment and tariff exemptions. Interested investors should apply to the Cabinet of Ministers.

Investors interested in investing more than USD 20 million are invited to discuss additional favourable conditions, including tax and customs incentives, Government guarantees and co-financing, directly with the Government<sup>4</sup>. Agreements are subject to a pre-specified procedure and the approval of the Cabinet of Ministers. For more information about these opportunities, please refer to the Investment Guide to Uzbekistan and/or contact Uzinfoinvest (see contact details given in Section 5).

In order to stimulate distribution and wholesale, the Government has introduced several tax breaks for agrofirms, which are now exempt from profit tax, land use tax, property tax, VAT (except for import VAT) and unified tax payments for a period of three years.

Another step taken by the Government was a 50% reduction in the unified tax payment for micro-firms and small enterprises in meat and dairy processing, with the released funds transferred to technical re-equipment, modernization of production, laboratories, and development of new products. These companies are also exempt from paying customs duties (but not from the customs service fee) on imports of various items (certain items of technological equipment, spare parts, supplementary materials, ingredients and components) that are used for meat and milk processing and are not produced in Uzbekistan.



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*There are a number of incentive schemes and Government programmes that could benefit investors in the sector.*

<sup>4</sup>Resolution of the Cabinet of Ministers #180, 2 August 2005

### 3. THE FOOD PROCESSING SECTOR IN UZBEKISTAN: OUTLOOK AND INVESTMENT OPPORTUNITIES

The food processing sector is operating at far below its potential. There are ample resources available: labour is inexpensive, highly qualified, and readily available; industrial plots abound at low prices; and investment opportunities are plentiful in almost every sub-sector - from relatively low value-added ones like UHT milk processing to higher value-added nuts, baked goods and semi-prepared meals. The following overview of possible investment opportunities, which was developed based on discussions with current investors and Government officials, should be seen as a guide only – the attractiveness of the investment will of course depend just as much on the core competences of the investor.

**Table 11: Investment opportunities in supplying the food processing sector**

Area	Investment opportunities	Current situation
Logistics and storage	Opportunities include: — Logistics, especially for fruit, vegetables and dairy products — Cold-chain operations for dairy products — Storage facilities for fruit and vegetables	The logistics and storage business is inefficient and fragmented. Margins are so large that many food processors choose to organize their own logistics. The lack of adequate services leads to severe price fluctuations, with off-season fruit and vegetables often costing more than five times the in-season price. Very few investments have been made in this area. Recently, Fergana Fruit Distributors was set up by Dutch and local investors, with the goal of storing apples and pomegranates for off-season export to the surrounding region. However, this is only a small step towards what is needed to provide adequate facilities to support all of the companies involved in the processing of fruit and vegetables in Uzbekistan.
Wholesale of fresh and processed fruit and vegetables	Investment in agrofirms or greenfield investments in wholesale are welcomed and actively supported by the Government. Potential new customers include the US army in Afghanistan and Iraq, institutional wholesale, and new, large retail chains (such as Germany's Metro) that are establishing themselves in the region.	Current wholesalers, so called agrofirms, have a high margin and often operate inefficiently. Their export operations are small and they suffer from a lack of economies of scale.
Packaging and labelling	As Uzbekistan starts exporting more processed and unprocessed foods, the demand for high-quality packaging and labelling products will increase substantially.	Currently, fruit and vegetable producers and wholesalers do not have appropriate packaging for storing fruit and vegetables properly during transport. Food processing companies face the same problems: for example, juice manufacturers have no feasible alternative to TetraPak. There is a strong demand for glass packaging that meets international standards. Few of the local companies have the capacity to meet international and EU packaging and labelling standards. As Uzbekistan starts exporting more processed and unprocessed foods, the demand for high-quality packaging and labelling products will increase substantially.



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In the food processing sector itself, the field is wide open. Some areas, such as bottled water or UHT milk manufacturing, sport a coterie of established companies; others, such as tomato processing, have been successful in gaining market share abroad, while so far failing to venture into higher value-added production. Apart from that, the sector requires substantial investment if it is to be able to meet the demand of an Uzbek and Central Asia population that is gaining in wealth and slowly switching towards the consumption patterns of more developed countries.

**Table 12: Investment opportunities in the food processing sector**

Area	Opportunities	Current situation
Canned and frozen foods	Opportunity to invest in canning and freezing facilities.	There are currently no modern canning or modern quick-freezing facilities in Uzbekistan. Existing companies are in urgent need of investment.
Fruit and vegetable processing	Processing of crops in season for off-season sales. Considerable opportunities in higher value-added crops and processing, such as mashed potatoes, berries and pomegranates. Higher value-added tomato processing is another opportunity, building on existing capacity and the ample availability of high-quality tomatoes.	With a few exceptions, facilities for processing fruit and vegetables are outdated and inefficient, leading to substantial wastage, sub-standard processing, and imports of products without significant value-added. Tomato processing is one of the most developed sub-sectors and, by value, the fourth largest processed food item offered for export (see Appendix). However, no higher value-added products are currently being manufactured.
Dairy processing	Most types of higher value-added dairy processing: ice cream, flavoured yoghurt, cheese and confectionery. Demand for Halal products from the surrounding region and Gulf countries is on the rise.	Currently, the per capita demand for UHT milk is very low, as many consumers still purchase unprocessed milk directly from farmers. As purchasing power increases, however, this demand is set to rise sharply. Apart from in the case of standard UHT milk production, margins are high and capacity low in this sector. There is particularly strong growth in higher value-added products, such as processed cheese and fruit yoghurt.
Juice production	A substantial investment in juice production could generate economies of scale in packaging and fruit and vegetable collection – the biggest bottlenecks for today's producers. Such an investment would be well-positioned to benefit from the expected boom in juice consumption in Uzbekistan and in the whole Central Asian region. Pomegranate processing is especially interesting, as the product's popularity is rising sharply in China, Japan, Korea and the US.	There are only a few major producers in Uzbekistan, most of which produce concentrate only. At the same time, juice consumption in Uzbekistan stands at only 2 litres per person per year, compared to 6 in Kazakhstan, 15 in Russia, and 30 in Western Europe. We can expect demand for fruit juices and other, similar products, to grow disproportionately in the coming years.
Meat and poultry processing	Large opportunities in fish and poultry production and processing in particular.	Meat processing remains very scattered and small scale, although the products often meet relatively stringent quality standards. Demand for poultry and fish is rising.



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Area	Opportunities	Current situation
Edible oil	<p>The possibilities for cottonseed oil production are worth investigating, as world market prices are high and ample raw material is available.</p> <p>Higher value-added oils (sesame oil, pharmaceutical oil) provide substantial, high-margin opportunities.</p>	<p>This sub-sector is currently underdeveloped, but is considered by the Uzbek Government to be a strategic sub-sector. Some seed processing plants exist, but the quality of their production is low and does not meet Western standards. Prices in the local market lie considerably above the world price, and testify to the large shortage of edible oil in the country.</p> <p>Apart from several shareholding companies, the sector has not seen any foreign investment. However, the Government has shown a strong willingness to develop the sector - through the Programme of modernization and technical re-equipment of enterprises in the fat and oil industry for the period of 2007-2011. Incentives are available for projects aimed at the introduction of new technologies which will help to boost the production and export of edible oil.</p> <p>Readily available raw materials include: cottonseed, sunflower seeds and safflower seeds.</p>

## 4. CASE STUDIES

In this section, we provide some examples of international companies investing, either through joint ventures or directly, in the food processing sector in Uzbekistan. We have chosen to present investors involved in juice production, dairy and bottled water – although much of Uzbekistan's potential lies in higher value-added food processing.

### 4.1 JV Marvel Juice Co.

Marvel Juice is a joint venture between the Swiss company Frewar Investments Ltd. and the Kazakh beer production company Shimkentpivo. It started producing fruit juices and fruit concentrate for the domestic market in 1997, although some of the concentrate is now exported.

The main motivation behind the investment was to take advantage of expected growth in a domestic market that at the time consumed very little juice per capita compared to more developed economies. There was no competition at the time, and the price of imported juice was prohibitive to most Uzbeks. Already in the second year, operations started to turn a profit. Marvel Juice is currently one of only two juice production companies in Uzbekistan that produce concentrate and package their own products; other juice manufacturers purchase concentrate and rent packaging facilities.

Lack of financing for new investments, and delays related to currency conversion problems, are among the major challenges the company faces at present. Imported packaging is another substantial cost. The company solves many of its logistical problems by establishing direct relationships with farmers, paying them cash, providing them with packaging material, and managing the logistics itself. In the near future, the company needs to upgrade its equipment, install new production lines and reposition its brand, in order to further strengthen its position in the Uzbek market.

Marvel Juice points to the strong need for investment in the local production of packaging material and supporting industries including labelling, transportation and storage.

### 4.2 JV Nestle

Nestle's first venture into Uzbekistan was in 1996, when it opened a representative office. Two years later, in 1998, the company decided to set up its own production facility. The company invested more than USD 30 million, and started operations in 2002 with the production of long-life milk products, Nestle Pure Life Water and a baby food range. The next major step will be opening another water plant, designed to venture into the markets for 'AtHomeAtOfficeDelivery' or water coolers. If current conditions improve, the company would also like to enter the higher value-added dairy market.

Nestle's main reason for investing was the potential of the domestic market. "27 million people want quality at affordable prices, and we can provide it", says Mr. Ashfaq Zahid, General Manager of Nestle in Uzbekistan. Major stumbling blocks remain, however. Collecting milk from farmers is work intensive. Farmers sometimes produce only a few litres of milk per day, and quality problems have to be

overcome by providing education, fodder, financing for new animals and veterinary services.

Yet opportunities abound. Demand for bottled water and UHT milk will continue to grow. Even more opportunities are available in juice production, ice cream production, and confectionery such as chocolate, where heavy duties and the lack of a domestic industry have constrained growth, says Mr. Ashfaq.

### **4.3 FE WimmBillDann Tashkent**

WimmBillDann is a leading dairy producer in Russia, established in 1992 and listed on the New York Stock Exchange. In 2004, it purchased the dairy manufacturer Toshkent-Sut, then the largest dairy producer in Uzbekistan. So far, it has invested over USD 7 million in its Uzbekistan activities.

At the time of investment, the business case for setting up a plant in Uzbekistan was clear. The consumer market was very large and growing quickly, with consumers moving from “raw milk” purchased directly from farmers, to processed UHT milk. There were high market barriers for dairy import, and the quality of local milk was considered good.

Milk quantity, however, turned out to be lower than expected – although a range of recent investments in the sector are expected to bring about change. The company also found that it would have to organize the whole logistics chain itself, as there were no modern cooling facilities available. The demand for UHT milk keeps growing - total market growth was over 10% per annum in recent years, and the company reached a turnover of USD 12 million in 2007. However, demand is still low, constituting only one-seventh of per capita milk consumption in Russia. Much of WimmBillDann’s turnover comes from higher value-added dairy products, such as fruit yoghurt and cheese. With time, the company plans to start exporting higher value-added products to the rest of Central Asia.



## 5. USEFUL ADDRESSES

### Government offices

#### Uzinfoinvest

The investment promotion agency “Uzinfoinvest” was established in February 2007 under the Ministry of Foreign Economic Relations, Investment and Trade. Uzinfoinvest is responsible for promoting Uzbek investment opportunities, especially projects considered by Government to be of high priority, worldwide. Over 300 such projects are available, ranging from oil and gas, chemicals, electro-technical products and textiles to construction materials, food processing and tourism.

Apart from being the first point of contact and support for investors interested in Uzbekistan, Uzinfoinvest organises meetings and forums to link foreign investors with local companies. It also works to improve Uzbekistan's image as an investment destination among investors from the former CIS and beyond.

**Address:** 1, Taras Shevchenko Street, 1000029 Tashkent

**Internet:** [www.investuzbekistan.uz](http://www.investuzbekistan.uz)

**E-mail:** [uzinfoinvest@mfer.uz](mailto:uzinfoinvest@mfer.uz)

**Telephone:** +998 71 238 91 00

**Fax:** +998 71 238 92 00

**Contact person:** Khusan Khasanov, Team Leader

#### Ministry of Foreign Economic Relations, Investments and Trade, Department for the Promotion of Foreign Investment and the Monitoring of Investment Projects

The Ministry ensures the implementation of Government policy on external economic activity, export and investment promotion as well as, foreign trade liberalization. It works to promote the expansion of foreign trade and the strengthening of foreign trade relations, and conducts market research and analysis of market trends in Uzbekistan and abroad. It also develops and implements measures to improve the competitiveness of the Uzbek economy and promotes the economy's integration in global processes, while at the same time securing the rights and interests of local businesses in relation to international trade.

Department for the Promotion of Foreign Investment and the Monitoring of Investment Projects is responsible for developing a favourable investment climate, attracting foreign investments, monitoring investment projects and providing information to foreign investors.

**Address:** 1, Shevchenko Street, Tashkent, 100029

**Internet:** [www.mfer.uz](http://www.mfer.uz)

**E-mail:** [invest@mfer.uz](mailto:invest@mfer.uz)

**Telephone:** + 998 71 238 51 00, 238 50 42

**Fax:** +998 71 238 52 00

**Contact person:** Latif Dadahanov, Leading Specialist

#### Ministry of Agriculture and Water Resources

The Ministry is responsible for formulating and implementing agritechnical policy, directed towards the modernization and sustainable development of the agricultural sector, the introduction of new technologies, the coordination of other sectors that support the agribusiness sector, as well as for formulating and implementing State policy relating to seed cultivation and selection, veterinary services, plant quarantine, general food security and the management of water resources.

**Address:** 4, Navoiy Street, Tashkent, 100003

**Internet:** [www.agro.uz](http://www.agro.uz)

**E-mail:** [info@agro.uz](mailto:info@agro.uz)

**Telephone:** +998 71 241 00 42

**Fax:** +998 71 244 23 98

## **Professional associations**

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### **Chamber of Commerce, Department of Foreign Investments and Mini-Technologies**

The Chamber assists local entrepreneurs in promoting their products in foreign markets and in finding foreign partners and investors. At the same time, it strives to attract foreign direct investment to Uzbekistan. The Chamber's services include the provision of information and advice, as well as the publication of business directories which contain information on domestic manufacturers, goods and services offered and investment opportunities. The Chamber also acts as an intermediary between entrepreneurs and the Government, helping to represent and protect the entrepreneurs' rights and legitimate interests.

In particular, the Department of Foreign Investments and Mini-Technologies provides a range of services to foreign investors. It assists them with incentives, bureaucratic procedures, and privatization programme procedures. The Department can also assist investors in preparing investment project documentation, developing business plans and securing finance.

**Address:** 6, Bukhara Street, Tashkent, 100047

**Internet:** [www.chamber.uz](http://www.chamber.uz) (in Russian, English and Uzbek)

**E-mail:** [info@chamber.uz](mailto:info@chamber.uz)

**Telephone:** +998 71 132 09 01

**Fax:** +998 71 132 09 03

**Contact person:** Isanbayev Sarkor, Head of Department

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### **Farmers' Association**

The Farmers' Association exists to facilitate the effective activity of farmers, by securing their legal rights, offering technical, transportation-related, informational and marketing services, and ensuring the supply of key inputs such as fertilisers, seeds, agricultural equipment and bloodstock. The Association also provides consulting services and advice on farming techniques.

**Address:** 75, Koh-ota Street, Tashkent, 100047

**Telephone:** +998 71 241 50 35

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### **Association of Oil-Fat and Food Industries**

The membership of the Association of Oil-Fat and Food Industries includes companies producing oil-fat, non-alcoholic beer, sugar and tobacco products. The Association was founded in 2006 and it represents 87 companies, that together account for around 25-30% of total Uzbek food production. Its functions include conducting local and international market research, drafting mid-term and long-term sector development strategies, assisting member companies in attracting foreign investment, and with technical re-equipment and the modernization of production methods. It also works to enhance competitiveness and export volumes, and provides information to companies interested in investing in the sector.

**Address:** 73a, Nukus Street, Tashkent, 100015

**Internet:** [www.uzmaslojir.uz](http://www.uzmaslojir.uz)

**E-mail:** [info@maslojir.uz](mailto:info@maslojir.uz)

**Telephone:** +998 71 255 07 90

**Fax:** +998 71 255 07 90

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### **Association of Meat and Milk Industry**

The meat and dairy industry of Uzbekistan is represented by the association "Uzguishtutsanoat", which unites 40 dairy companies and 17 meat processing companies, as well as more than 100 livestock farms across the country. The Association is responsible for coordinating the activities of its member companies, and its tasks include providing the companies with support in the areas of management, marketing, research and development, investment attraction, cooperation and the coordination of their activities.

**Address:** 75, Koh-ota Street, Tashkent, 100047

**Telephone:** +998 71 241 50 35

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## Universities

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### University faculties with food sciences departments

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- Andijan Agricultural Institute
  - Andijan Institute of Engineering: Department of Technological Machinery and Equipment
  - Andijan State University of Chemistry and Biology
  - Beruni Tashkent State Technological University: Department of Electronics and Automatics
  - Bukhara Institute of Food and Light Industry Technologies: Department of Food Technologies
  - Fergana State University: Department of Biotechnical and Medical Equipment
  - Gulistan State University: Department of Agriculture
  - Karshi Engineering and Economics Institute: Department of Technologies
  - Karshi State University: Department of Chemistry and Biology
  - Namangan Engineering Pedagogical Institute: Department of Food Technologies
  - Namangan Engineering and Economics Institute: Department of Agricultural Goods Production, Processing and Storing
  - Namangan State University: Department of Physics and Technologies, Department of Chemistry and Biology
  - Samarkand Agricultural Institute
  - Tashkent Chemical Technological Institute
  - Tashkent State Agricultural University
  - Termez State University: Department of Agricultural Production
-

## 6. APPENDIX AND STATISTICS

### A. List of existing investors

#### Fruit and Vegetables Processing

**JV «Marvel Juice Co.»**

Main product: fruit and vegetable juices under the brand name «Tip-Top», fruit sauces and concentrates  
Address: "Iskovot" settlement, Yangikurgan town, Namangan province  
Phone: +998 696 36 24 25

**JV «Ms Food Processing Co.»**

Main products: tomato paste, canned fruit and vegetables  
Address: 112, Al-Fargoniy Street, Fergana  
Phone: +998 373 224 03 00, 224 95 21  
Email: msdalina@mail.ru

**JV "Mevalar Kamalagi"**

Main product: fruit juices  
Address: 1, Nugaev Street, Shakhrisabz, Kashkadarya province  
Phone: +998 375 522 57 54

**Uzbek-Swiss JV "Muzimpex"**

Main products: frozen fruit and vegetables, jams, black and green teas  
Address: 11, Loyihachi Street, Nazarbek settlement, Zangiota district., Tashkent province  
Phone: +998 71 150 88 51  
Email: info@bek.uz  
Web: www.bek.uz

**Uzbek-Italian JV "Meva"**

Main products: fruit juices, vegetable puree  
Address: 64a, Mullayap Street, Hanka, Khorezm province  
Phone: +998 62 399 13 77  
Email: jvmeva@mail.ru

**JV "Green World"**

Main products: fruit and vegetable juices under the brand name «Green World»  
Address: 83, Beshkentskaya Street, Tashkent, 100080  
Phone: +998 71 290 15 59  
Email: green-world@bk.ru

**JV "Agromir"**

Main products: tomato paste, pickled vegetables, fruit compotes, juices, dried fruit and vegetables  
Address: 20, Isayeva Street, Samarkand  
Phone: +998 90 224 29 64, 224 64 29  
Email: agromir@dionis.uz  
Web: www.dionis.uz

**JV «Intersok»**

Main products: fruit juices under the brand names «Fruktoviy sad», «Sochnaya dolina» and «BUCO»

Address: Daryo Boyi Street, Sergeli, Yujnaya promzona, Tashkent, 100209

Phone: +998 71 120 37 37

Email: office@intersok.uz

**JV «Delkons Maestro»**

Main products: juices under the brand name «Maestro», jams, preserves, fruit and vegetable sauces

Address: 3, Tajik-Muyan village, Kuvasay district, Fergana province

Phone: +998 373 373 21 94, 373 21 93

Email: marketing@dehkons.maestro.com

**JV «Lazzat-Meva»**

Main products: tomato paste, fruit puree

Address: Industrial Zone district, Djambay city

Phone: +998 366 231 18 66, 251 728

Email: sharqsanoat@intal.uz

**JV «Gazalkent Meva»**

Main products: tomato paste, pickles and compotes, juice concentrate

Address: 2, Ibn-Sino Street, Bostonliq district, Gazalkent, Tashkent province

Phone: +998 70 742 84 47

Email: info@dionis.uz

Web: www.dionis.uz

**JV «Shodlik»**

Main products: juices and drinks under the brand names «Sim-Sim» and «Diamond», pickled vegetables

Address: 19, Farobiy Street, Kokand, Fergana province

Phone: +998 73 552 57 67

**JV «Chust Golden Fruit»**

Main products: tomato and fruit paste, juice concentrate

Address: 72, Olmos Street, Chust, Namangan province

Phone: +998 69 423 40 76

Web: www.dionis.uz

**Dionis Group Corporation**

Main products: preservation, concentrated juices, fruit and vegetable pastes and puree, wines, sparkling wines

Address: 1, Mirakilov Street, Tashkent, 100031

Phone: +998 71 120 41 44

Email: info@dionis.uz

Web: www.dionis.uz

**Uzbek-American JV «Inter-rohat»**

Main products: soft drinks, beer

Address: Salar GES settlement, Tashkent province

Phone: +998 71 263 87 09

## **Dairy and Meat**

### **Uzbek-American JSC "Bustonliq sut"**

Main products: dairy products

Address: 1, Amir Temur Street, Gazalkent, 112180, Tashkent province

Phone: +998 98 303 35 33

### **FE "WimmBillDann"**

Main products: dairy and sour dairy products

Address: 23, Zargarlik Street, Tashkent, 100131

Phone: +998 71 120 33 34

Email: abisheva@wbd.uz

### **Singapore-UAE-Uzbek «SINGAPORE SAMARKAND» LLC**

Main products: ice-creams

Address: 5, Bol'shoy Uzbekskiy trakt, Zangiata, Tashkent province

Phone: +998 371 120 33 77

### **JV Uzbek-Israel «MARMAKS» LLC**

Main products: meat products

Address: 15, Chirchik Buyi Street, Tashkent, 100182

Phone: +998 71 295 08 00

Email: marmaks@comuz.uz

### **Uzbek-UK JV OJSC "Buhorosut"**

Main product: dairy products

Address: 20a, Kagan Street, Bukhara, 705025

Phone: +998 365 225 00 85

### **Uzbek-Swiss JV "Nestle"**

Main products: Nestle Pure Life water, Nestle milks, baby food

Address: 111a, Buyuk Ipak Yuli Street, Tashkent, 100077

Phone: +998 71 140 06 00

## **Oils and Fats**

### **FE "Djizzakh oil extraction"**

Main products: refines cotton seed oil

Address: Pakhtakor district, Djizakh province

Phone: +998 7235 188 92 05

### **Uzbek-Liechtenstein JV "Tashkent oil and fat factory"**

Main products: margarine, oil, fat and mayonnaise

Address: 47, Djakurganskaya Street, Tashkent, 100001

Phone: +998 71 291 69 04

Email: tmjk@sarkor.uz

## **Food Ingredients**

### **«FRUITVITEX» LLC**

Main products: dried fruit and vegetables

Address: 126, Boykozon village, Parkent district, Tashkent province

Phone: +998 371 212 31 13

Email: info@fruitvitex.com

## Wine

### **FE «Sun Wine»**

Main products: vintage and sparkling wine, soft drinks

Address: 1, Mirakolova Street, Tashkent

Phone: +998 71 152 72 11

Email: info@dionis.uz

Web: www.dionis.uz

### **Uzbek-American JV «Zarkent Agro Invest»**

Main products: dry red and white wines

Address: Zarkent village, Tashkent province

Phone: +998 71 107 32 26

Email: info@dionis.uz

Web: www.dionis.uz

### **Uzbek-British JV «Adas Agro Invest»**

Main products: dry red and white wines, concentrated grape juice

Address: "Shopulat", Taylay district, Samarkand province, 144454

Phone: +998 71 120 41 44

Email: info@dionis.uz

Web: www.dionis.uz

## Tea

### **JV "Alokozay Trading"**

Main products: green and black teas

Address: 41, Buyuk Turon Street, Tashkent, 100001

Phone: +998 71 233 56 67

Email: pine@sarkor.uz

### **FE "Beta Algoritm A.S"**

Main products: green tea, ice tea, juices, bottled water

Address: 55a, Sugali Ota Street, Tashkent

Phone: +998 71 270 29 00

## Confectionery

### **«FRUITVITEX» LLC**

Main products: dried fruit and vegetables

Address: 126, Boykozon village, Parkent district, Tashkent province

Phone: +998 371 212 31 13

Email: info@fruitvitex.com

### **Uzbek-Netherland «VENUS-FOOD» LLC**

Main products: confectionery products

Address: 7a, Visokovoltynaya Street, Yunusabad-17, Tashkent

Phone: +998 71 212 98 11

Email: ramazanelibal@yahoo.com

### **Uzbek-American JV "Zebiniso ona"**

Main products: macaroni and confectionery products

Address: 27, Uygur Street, Tashkent, 100034

Phone: +998 71 247 73 68

#### Uzbek-Bulgarian JV "Rossi CA"

Main products: confectionery products  
Address: 150, Samarkand Street, Yangiyul, Tashkent province  
Phone: +998 71 602 22 64

#### Uzbek-Turkish JV "Nema"

Main products: bread, cakes, biscuits  
Address: 60, Amir Temur Street, Tashkent, 100000  
Phone: +998 71 234 72 01  
Email: nema\_company@yahoo.com

### The Largest Investors by Sub-Sector

	Name of joint venture	Name of Investor/Country	Amount of Investments	Sub-Sector
1	JV Uzbek-Swiss Nestle LLC	Nestle/Switzerland	30,800	Dairy products (incl. baby food)
2	JSC "Marvel Juice Co"	Frewar Investments Ltd./Switzerland, Kazakhstan	13,666.3	Fruit and vegetables processing
3	"Singapore Samarkand" LLC	Bedeil PTE.LTD/ Singapore Bedeil General Trading LLC/ UAE	5,222.6 6,122.9	Dairy products (incl. baby food)
4	"Venus Food" LLC	Sane Investments Europe B.V./ Netherlands	7,653.3	Baked goods/ confectionery
5	"WimmBillDann Tashkent" FE	WimmBillDann/ Russia	7,300	Dairy products (incl. baby food)
6	JV Uzbek-Saudi Arabian "Ms Food Processing Co."	Mahmood Saeed Collective CO. / Saudi Arabia	6,247.8	Fruit and vegetables processing
7	JV Uzbek-Israel "Marmaks" LLC	New Natan Marketing Ltd./ Israel	4,454	Meat processing
8	JV JSC Uzbek-UK "Mevalar Kamalagi"	Central Asia Investment Company/ UK	2,802.5	Fruit and vegetables processing
9	"Jizzah Yog'ekstrakt" LLC	Darrion Impex Ltd./ UK	2,519.2	Fat and oil
10	JV Uzbek-UK agrofirma "Fruitvitex" LLC	Agro-Invest Holding Corporation/ UK	2,019.9	Food ingredients
11	JV Uzbek-USA "Sun Wine" LLC	Woodgold Trade Inc/ Virgin Islands	503.2	Wine
12	JV Uzbek-Kazakh "Delkons" LLC	Beybars and Co.LLC/ Kazakhstan	2,348.4	Fruit and vegetables processing
13	JV JSC Uzbek-UK "Bukhorosut"	Nexus Consultancy International Ltd./ UK	1,483.6	Dairy products (incl. baby food)

Source: Uzinfoinvest Agency



## B. LIST OF INVESTMENT PROJECTS IN THE FOOD PROCESSING SECTOR THAT ARE BEING OFFERED FOR DIRECT INVESTMENT\*

Nº	Type	Project name	Project cost (USD '000)	Required foreign investment (USD '000)	Region	Contact agency
<b>Projects aimed at attracting FDI</b>						
1	FDI	Organization of production of baby foods made of fruit and vegetables, through the enterprises of OJSC "Bolalar Taomlari - Holding"	92,930	92,930	Tashkent and Samarkand regions	Uzinfoinvest Agency
2	FDI	Organization of production of 480 tonnes of fruit and vegetable concentrates and 1000 tonnes of juice per day, and installation of low storage refrigerator, through "MS Natural Products" LLC	42,164	42,164	Tashkent region	Chamber of Commerce and Industry of Uzbekistan
3	FDI	Organization of a complete cycle of processing, packaging and storing of 6 thsd. tonnes of fruit and vegetable products	5,000	5,000	Namangan region	Uzinfoinvest Agency
4	FDI	Organization of production of 70 thsd. tonnes of iodinated dietary and technical salt, through JSC "Hujaiikon Tuz"	9,550	9,550	Surkhondaryo region	Uzinfoinvest Agency
5	FDI	Organization of production of 10 thsd. tonnes of chocolate, through OJSC "Kuva kandolat"	6,000	6,000	Fergana region	Uzinfoinvest Agency
6	FDI	Construction of vegetable refrigeration warehouse, through "Vernatural" LLC	2,418.8	1,367.2	Tashkent region	Chamber of Commerce and Industry of Uzbekistan
7	FDI	Construction of greenhouse for vegetable cultivation, through "Vernatural" LLC	1,737.2	1,483.7	Tashkent region	Chamber of Commerce and Industry of Uzbekistan
8	FDI	Organization of fruit and vegetable processing, through "Kattakurgon Firmasi" LLC	1,700	1,700	Samarkand region	Uzinfoinvest Agency
9	FDI	Organization of production of dried fruit and vegetables, through "Bagdad Tayorlov Savdo" LLC	1,000	1,000	Fergana region	Uzinfoinvest Agency
10	FDI	Organization of fruit and vegetable processing, through "Fayzli Adirobod Mevalari" LLC	1,000	1,000	Fergana region	Uzinfoinvest Agency

Nº	Type	Project name	Project cost (USD '000)	Required foreign investment (USD '000)	Region	Contact agency
<b>Projects aimed at attracting FDI</b>						
11	FDI	Organization of production of tomato products and canned fruit and vegetables, through "Inter Asia" LLC	1,000	500	Tashkent city	Uzinfoinvest Agency
12	FDI	Organization of production of dairy products: cheese, yoghurts, kefir	1,000	1000	Fergana region	Uzinfoinvest Agency
13	FDI	Organization of fish processing and production, through "Bakker" LLC	2,500	2,000	Bukhara region	Uzinfoinvest Agency
14	FDI	Organization of production of 1,200 tonnes of caramel per annum, through "Temir Yulchi" LLC	410	342.9	Khorezm region	Uzinfoinvest Agency
15	FDI	Enhancing production of medical fruit tea, through "Nafis Olam" LLC	160	160	Tashkent city	Chamber of Commerce and Industry of Uzbekistan
<b>Projects included in the Privatization Programme</b>						
16	Sale of shares	Sale of 47% of shares of OJSC "Kukon spirt" (production of ethyl alcohol)		USD 8,159,000; investment obligations USD 3 mln.	Fergana region	State Property Committee
17	Sale of shares	Sale of 14.24% of shares of OJSC "Chimbay may" (vegetable oil, cotton cake)		USD 1,983 thsd.; investment obligations USD 738 thsd.	Republic of Karakalpakstan	State Property Committee
18	Sale of shares	Sale of 51% of shares of OJSC "Uzbekiston shampani" (champagne, carbonated wine beverages)		USD 2,318 thsd.; investment obligations USD 1.2 mln.	Tashkent city	State Property Committee

## C. STATISTICS

### i. Agricultural production statistics

**Table c1. Production Volumes**

	Unit	2003	2004	2005	2006	2007	2008
wheat	ths tonnes	5,436.8	5,377.5	5,927.8	5,996.3	6,076.9	6,038.2
rice	~"~	333.7	181.2	165.8	220.3	186.3	108.7
corn	~"~	146.3	156.4	164.3	194.2	207.4	227.7
Fruits, incl.	~"~	765.8	851.7	949.3	1,182.2	1,270.0	1,402.8
Seed-bearing fruit (apples, pears, quinces and other seed-bearing fruit)	~"~	436.0	802.4	891.9	632.8	687.5	na
Stone-bearing fruit (cherries, plums, sweet cherries, apricots, peaches and other stone-bearing fruit)	~"~	296.2			459.4	468.3	na
Nuciferous fruit (walnuts, filberts, almonds, pistachios and other nuciferous fruit)	~"~	9.4	20.0	20.6	23.6	29.9	na
Bush berries (strawberries, raspberries, gooseberries and other bush berries)	~"~	3.9	4.3	4.9	5.1	5.7	na
Sub tropical fruit (figs, persimmons, pomegranates and other subtropical fruit)	~"~	19.5	24.4	31.1	60.8	77.9	na
Citrus fruit (lemons, oranges, mandarins and other citrus fruits)	~"~	0.8	0.6	0.8	0.5	0.7	na
Grapes	~"~	401.5	589.1	641.6	803.6	878.9	791.0
Potatos	~"~	834.4	895.7	924.2	1,021.0	1,189.0	1,398.7
Vegetables, incl	~"~	3,301.4	3,336.1	3,517.5	4,294.1	4,691.9	5,217.4
Tomatos	~"~	1,410.3	1,245.5	1,317.2	1,583.6	1,586.2	na
Cucumbers	~"~	168.0	184.3	200.2	258.6	266.8	na
Onion	~"~	525.1	539.0	546.3	591.1	653.9	na
Cabbage	~"~	218.5	273.6	287.3	369.2	390.1	na
Carrot	~"~	453.2	500.0	505.8	745.2	834.2	na
Garlic	~"~	24.8	29.1	32.1	38.0	39.2	na
Other vegetables	~"~	457.5	517.1	575.9	649.2	856.1	na
Melons	~"~	587.3	572.5	615.3	744.1	840.9	981.2
Meat	ths tonnes	936.7	998.3	1,061.2	1,139.6	1,208.7	1,287.9
Milk	ths tonnes	4,031.1	4,280.5	4,554.9	4,855.6	5,097.5	5,426.3
Eggs	mln	1,632.4	1,860.3	1,966.7	2,128.1	2,220.4	2,429.0
Honey	tonnes	2,300.0	1,946.9	2,108.0	1,961.7	2,077.8	2,180.0

**Source:** State Statistics Committee

**Table c2. Country rank in the world, by commodity, 2005**

	Commodity	Rank		Commodity	Rank
1	Cocoons, Reelable	3	11	Watermelons	18
2	Jute	5	12	Cherries	19
3	Cereals *	8	13	Cucumbers and Gherkins	19
4	Pistachios	8	14	Currants	19
5	Safflower Seed	10	15	Almonds	20
6	Blueberries	13	16	Vegetables Fresh	20
7	Hazelnuts (Filberts)	15	17	Wheat	20
8	Tomatoes	16	18	Cabbages	21
9	Apricots	17	19	Eggs, excluding Hen	21
10	Plums	17	20	Grapes	21

\* not elsewhere specified

**Source:** FAO Statistics

## ii. Food production statistics

**Table c3**

Food industry	2003	2004	2005	2006	2007	2008
Production, mln USD	764.1	798.4	903.2	1,196.9	1,546.4	1,866.3
Growth rate, %	6.0	4.4	11.8	30.2	17.6	28.2
Export, mln USD	26.7	30.4	39.1	49.7	67.6	-
Import, mln USD	180.2	174.2	198.0	309.8	346.4	-

## By sub-sectors

**Table c4**

Growth rate, %	2003	2004	2005	2006	2007	2008
Fruits and vegetables	25.4	8.4	19.7	26.4	18.5	18.9
Wine	-1.0	2.3	3.3	29.0	23.5	17.0
Dairy (incl. baby food)	21.0	17.8	12.5	23.6	10.5	17.5
Bakery	6.2	20.1	13.3	18.8	35.9	36.0
Oil and fat	-1.2	-4.0	14.0	18.1	-1.1	6.0
Meat	10.9	11.5	21.8	20.1	48.5	18.5

**Table c5. Processed food production volume**

	Units	2003	2004	2005	2006	2007
Fruit juices	tubes	32,697	25,726	29,449	72,206	51,373
Dried fruits and vegetables	tonnes	8,529	7,871	8,434	8,129	12,849
incl.						
dried vegetables	tonnes	4,005	3,328	2,791	3,365	4,579
dried fruits	tonnes	4,524	4,543	5,643	4,764	8,270
Meat products	tonnes	169,601	177,276	152,392	157,755	155,494
Dairy goods	tonnes	255,863	266,364	249,814	268,607	267,864
Oil and fat goods	tonnes	17,665	20,039	21,308	21,966	17,870
Cereals	tonnes	42,216	20,118	36,795	24,410	10,659
Macaroni	tonnes	54,441	50,246	50,788	45,590	39,109
Grape wine	ths dals	6,236	4,231	4,314	4,411	5,602
Sparkling wine	ths dals	234	228	194	137	203,8
Vodka and liquers	ths dals	6,523	6,945	6,805	6,918	9,249
Cogniac	ths dals	72	55	29	33	25,4
Spirit	ths dals	3,501	2,851	3,105	3,571	3,970

### iii. Trade statistics

**Table c6. Agriculture goods export, 2006**

		Export Value (1000 USD)		Export Quantity (tonnes)	
1	Cotton lint	1200000	F	980000	*
2	Grapes	126691	R	142719	R
3	Fruit fresh nes	59550	R	80677	R
4	Tomatoes	35011	R	48661	R
5	Apricots	21571	R	22790	R
6	Vegetables fresh nes	18467	R	31477	R
7	Onions, dry	14602	R	61194	R
8	Cotton linter	14101	R	60443	R
9	Peaches and nectarines	13324	R	14307	R
10	Plums and sloes	11580	R	16675	R
11	Cottonseed oil	11100	F	18900	*
12	Raisins	10834	R	18312	R
13	Cabbages and other brassicas	10685	R	49599	R
14	Cotton waste	8019	R	13255	R
15	Crude materials	7006	R		
16	Watermelons	6679	R	16684	R
17	Apples	6503	R	10599	R
18	Must of grapes	6463	R	15211	R
19	Groundnuts shelled	6200	F	13000	R
20	Chillies and peppers, green	6184	R	8085	R
21	Cucumbers and gherkins	6051	R	8137	R
22	Paste of tomatoes	5377	R	15115	R
23	Walnuts shelled	5090	R	2354	R
24	Fruit dried nes	4806	R	12584	R
25	Cake of cottonseed	4305	F	50915	R

\* = Unofficial figure, A = May include official, semi-official or estimated data, F = FAO estimate, R = Estimated data using trading partners database

**Table c7. Agriculture goods import, 2006**

		Import Value (1000 USD)		Import Quantity (tonnes)	
1	Sugar refined	191,900	F	464,600	*
2	Flour of Wheat	80,371	R	455,600	R
3	Rice, paddy	32,000	F	72,100	*
4	Wheat	15,082	R	118,687	R
5	Tea	14,085	R	20,920	R
6	Food prep nes	11,452	R	7,178	R
7	Butter cow milk	9,799	R	4,927	R
8	Sunflower oil	9,500	F	10,200	*
9	Malt	6,553	R	16,375	R
10	Pistachios	5,929	R	962	R
11	Palm oil	4,200	F	10,800	*
12	Rice milled	3,646	R	8,511	R
13	Fat of Pigs	3,053	R	3,260	R
14	Soybean oil	2,980	F	3,500	*
15	Potatoes	2,825	R	6,912	R
16	Barley	2,742	R	19,995	R
17	Margarine short	2,671	R	4,427	R
18	Chicken meat	2,537	R	5,383	R
19	Crude materials	2,489	R	na	
20	Sausages of Pig Meat	2,387	R	2,478	R
21	Chocolate prsnes	1,811	R	1,185	R
22	Milk whole dried	1,615	R	660	R
23	Cotton lint	1,590	F	1,000	*
24	Oil hydrogenated	1,565	R	2,293	R
25	Tallow	1,472	R	1,040	R

\* = Unofficial figure, A = May include official, semi-official or estimated data, F = FAO estimate, R = Estimated data using trading partners database

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