

# ECONOMIC AND INVESTMENT POTENTIAL OF NAMANGAN REGION

A 3D bar chart with a white line graph showing an upward trend, set against a blue grid background. The chart features several blue bars of varying heights, with a white line graph overlaid that starts at the bottom left and curves upwards to the right, ending in an arrowhead. The background is a dark blue grid pattern.

# Namangan region on the map of Uzbekistan



## Namangan region



**Area - 7 440 sq.km**

**Region – the source of the Syr Darya - the main gulf of Central Asia**

**The terrain is various:**

**North-east - Spurs of mountain. Precipitations are frequent. The climate is mild.**  
**West - hilly land with scant vegetation. Precipitation is low**

**The climate is sharply continental**

# Why invest in Namangan region?

## Key factors

**The Namangan region has the advantages inherent in all regions of the Republic of Uzbekistan :**

- + Sustained economic growth and political stability
- + Favorable investment climate, providing a wide range of privileges to foreign investors
- + Rapidly developing market of Uzbekistan, Central Asia and CIS countries
- + Developed financial and telecommunication sector

**But other than that, the Namangan region has its own characteristics and advantages:**

- + Rapid growth of the whole economy of the region
- + High activity of business
- + Support for foreign investors by state and local authorities
- + Assistance to innovative projects
- + Comprehensive development of the region's economy
- + Deeply developed textile industry and availability of specialists with extensive experience in the industry
- + Rapid rates of development of such industries as chemical, metalworking
- + Significant reserves of raw materials reserves, mineral and energy resources
- + High level of development of agricultural, processing and food industries
- + Highly skilled and inexpensive labor resources
- + Inexpensive utilities
- + Highly developed transport infrastructure.



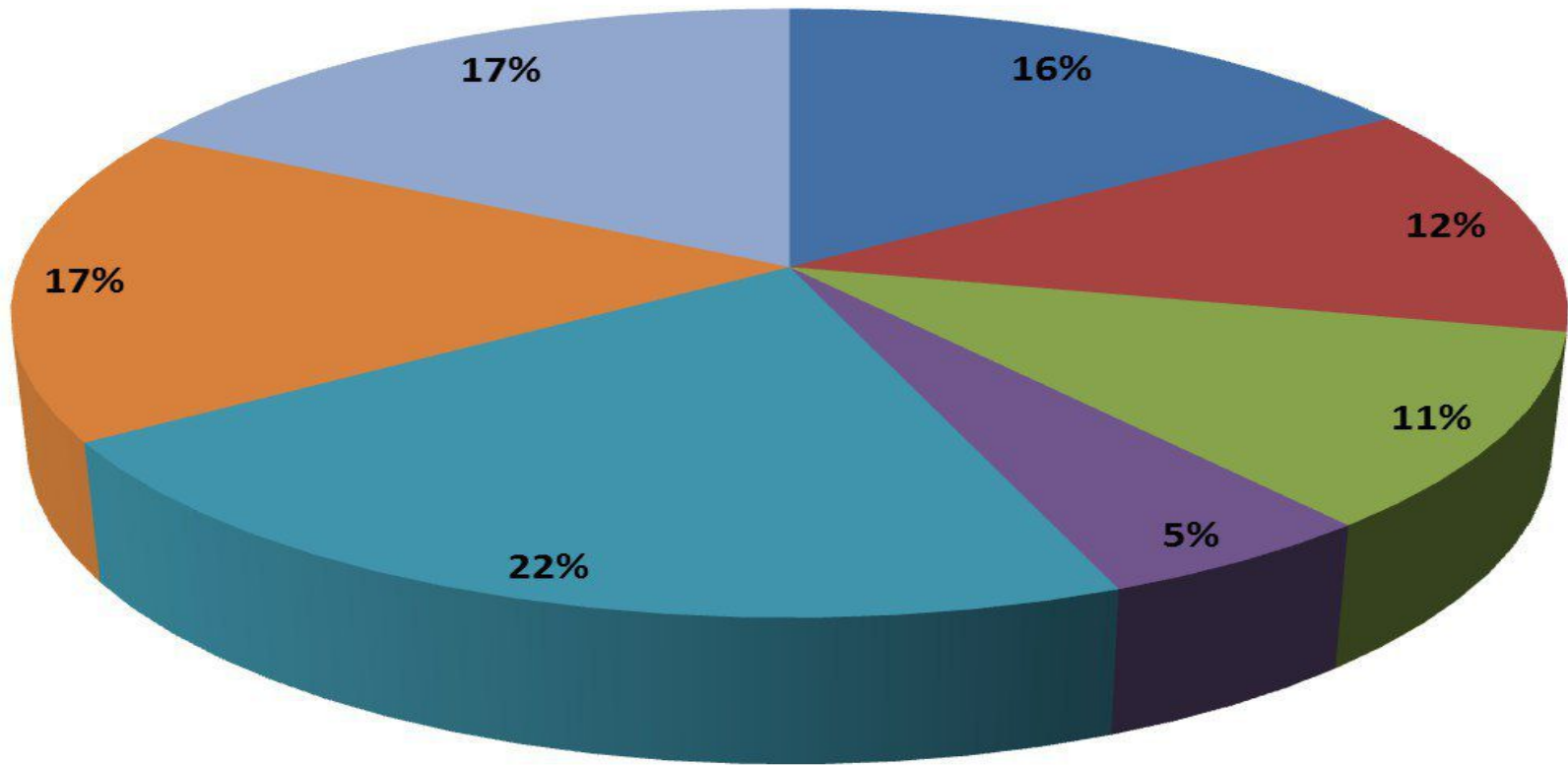
**The Namangan region is a region in which friendly and hospitable people live and work.**

**This is the land where history is intertwined with modernity. This is the place where all the conditions for sports, recreation and entertainment are created!**

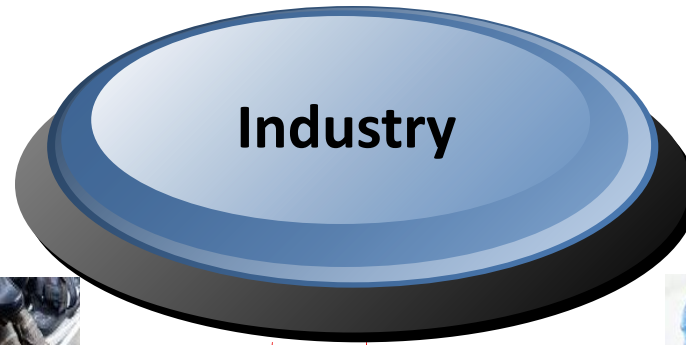


## GDP of Namangan region 1 256,25 million USD

- Industrial products
- Consumer products
- Investment
- Construction
- Sale
- Agricultural products
- Services



# Namangan region: Developed sectors



## Light industry

Large:

- Textile factories
- Cotton processing
- Sewing companies
- Silk production complexes
- Footwear production

## Food products industry

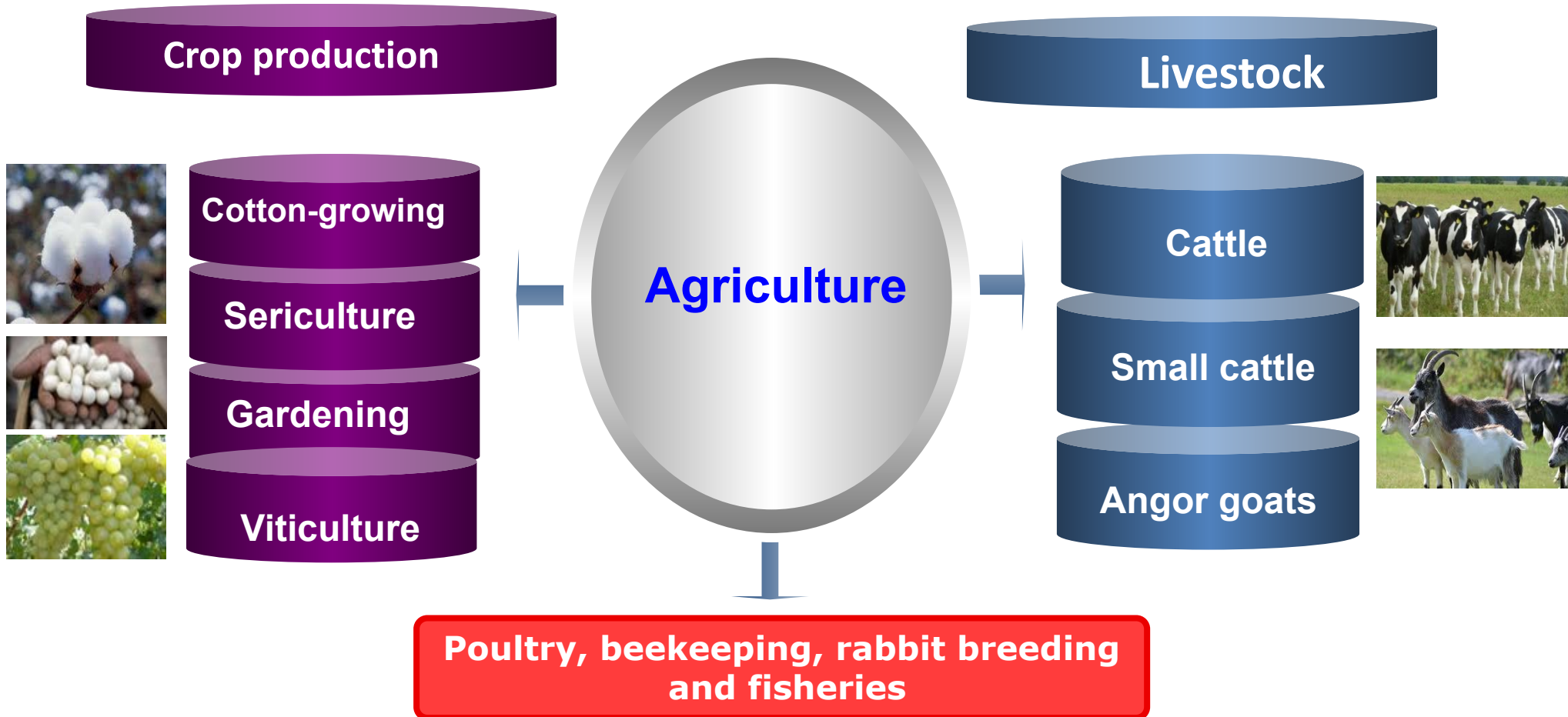
- Enterprises for processing agricultural products
  - Fat-and-oil plants
  - Flour milling plants
- Manufacture of macaroni and confectionery products
  - Dairy products

## Heavy and chemical industry

- Machine-building enterprises
- Pipe production
- Electromechanical enterprises
- Automotive repair shop
- Chemical plants

Textile industry is the main branch in the structure of the industrial complex of Namangan region. Also, the machine-building industry and the metal processing industry are growing fast.

# Namangan region: existing assets and potential



A fertile climate contributes to the development of the agricultural sector of the Namangan region.

# Namangan: Raw materials and mineral resources

## Minerals resources

Gold deposits

Crude oil deposits

Lead deposits

Copper deposits

Quartz deposits

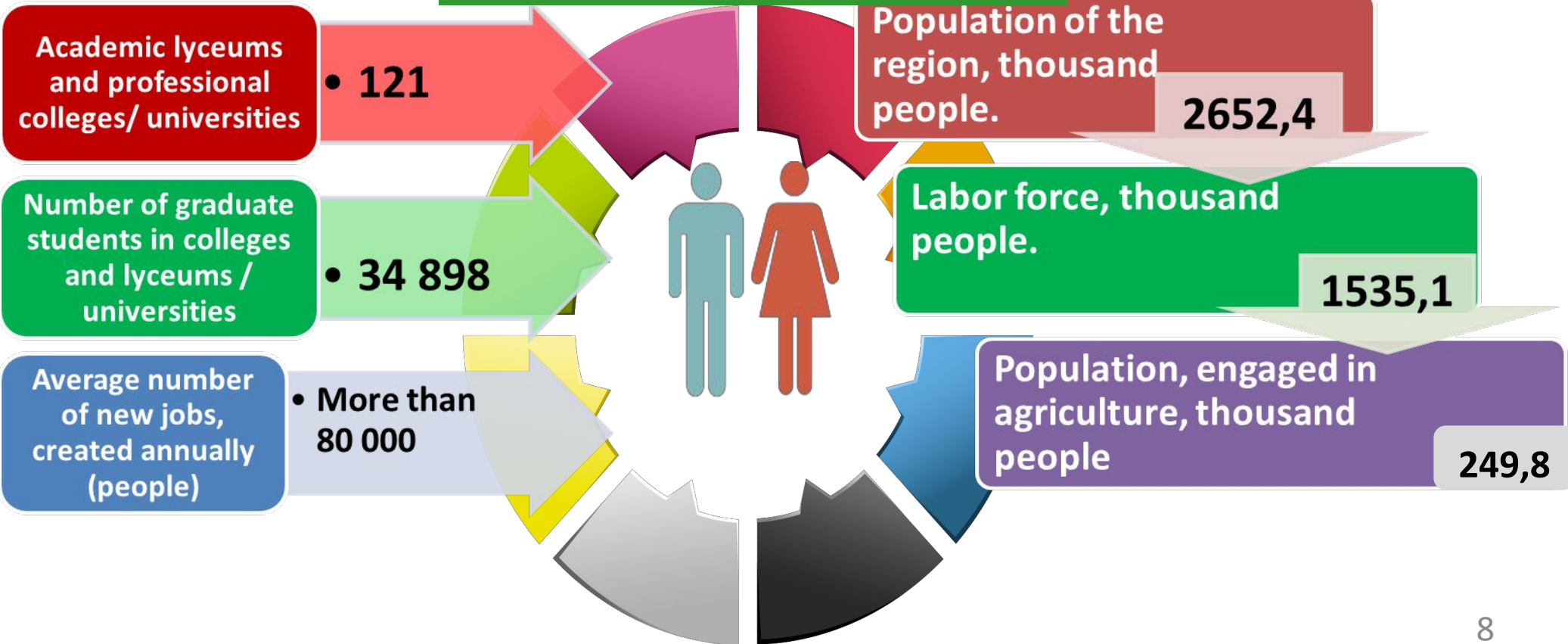
Antimony deposits



Many of the minerals have not yet been touched. Majority of minerals is located in Mingbulak, Pap, Turakurgan, Ujchi, Chust and Yangikurgan districts.

# Namangan region: labor potential

Population - 2 652 400 people  
There are more than 50 nationalities.  
Largest ethnic group – Uzbeks (88,8%)





## Namangan region: transportation infrastructure

In 2016, electrified railway launched for route Angren-Pap with the length of 129 km



Unified railway transport system throughout the country

A link of the transport corridor connecting Europe with Asia has been created

There are two large mountain transport tunnels Namangan region



The airport in Namangan works round the clock. It carries out functions "spare" for air vessels as national airline «Uzbekistan Airways», and airlines of the CIS countries. It also can be used as the airport for technical plantings. Here all complex of land service of air vessels, commercial service of passengers, cargoes is made, additional services accompanying these processes are rendered.

Namangan region is connected to capital of Uzbekistan, Tashkent city, through Kamchik Mountain pass. The distance from Namangan city to Tashkent city is – 305 km

The total length of railways is more than 274,6 km

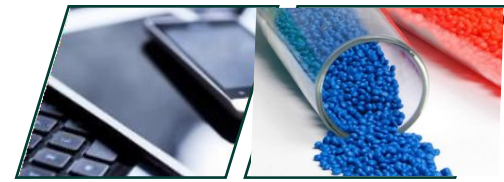


The total length of motorways is over 13,300 km



The length of auto roads with asphalt pavement is 10 800 km

# PERIOD OF INCENTIVES AND PREVILEGES PROVIDED IN FEZ



# "KOSONSOY-PHARM" FREE ECONOMIC ZONE

Location of free economic zone

Kasansay district

Period operation of free economic zone

30 years  
(renewable)

Enterprises attracting direct foreign investments within the free economic zone are exempted from

1. Land tax
2. Income (profit) tax
3. Property tax
4. Tax on developing social infrastructure
5. Consolidated tax for microfirms and small enterprises
6. Obligatory deductions to National Road Fund

Technological equipment, component parts and raw materials importing for industrial purposes are exempted from customs duty for the duration of the free economic zone

# Decree of the President of the Republic of Uzbekistan №-5517 of November 22, 2018 “About creating Free Economic Zone “Namangan””



**20.08.2018**

created by the Decree of the President



**671,4** ha total area



# FEZ «NAMANGAN»: PRIORITY DIRECTIONS



**ELECTRONICS**



**MACHINE BUILDING**



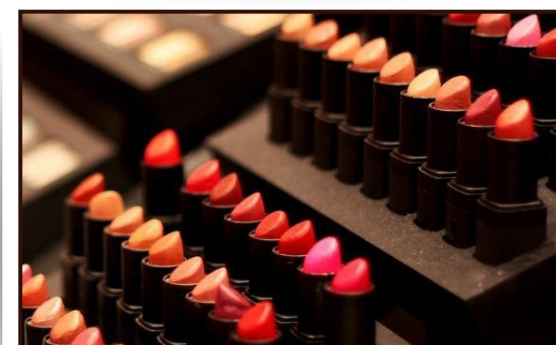
**CHEMICAL INDUSTRY**



**RAW  
MATERIALS**



**POLYMERIC  
PRODUCTS**



**PERFUMES AND  
COSMETICS**

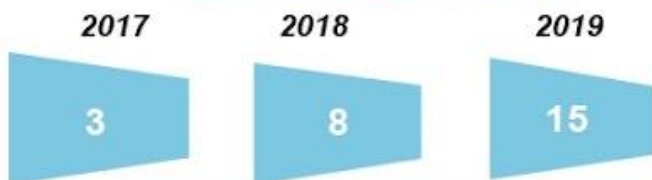
**and other currency-recouped and export-oriented products**

## МЕҲМОНХОНАЛАР



Умумий сони	<b>31</b> 1333 ўрин
2019 йилда режалаштирилган лойиҳалар	<b>6</b> 500 ўрин
2018 йил	<b>25</b> 833 ўрин

## Сайёҳлик ташкилотлари



## Транспорт хизматлари



	2018 йил	2019 йилда
	0 дона	30 дона
	9 оператор	15 оператор
	2 оператор	5 оператор
	25	60
	2	6

## Сайёҳлар сони (минг)



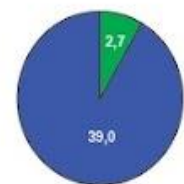
## Янги яратиладиган туристик маршрутлар

	2018 йил	2019 йилда
Эко туризм	3 та	8 та
Тиббиёт туризми	16 та	20 та
Агро туризм	4 та	7 та
Зиёрат туризми	16 та	19 та

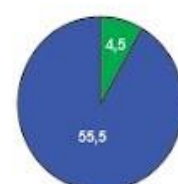
## Эко туризм ва тиббий туризм объектлари



2018 йилда келган дам олувчилар сони (мина)



2019 йилда кутулаётган дам олувчилар сони (мина)



■ Хорижий  
■ Маҳаллий

## 2019 йилда амалга ошириладиган инвестиция лойиҳалари

Лойиҳалар сони:	145 та
Лойиҳа қиймати:	116 млрд. сўм
Ташаббускорларнинг ўз маблағлари:	75 млрд. сўм
Банк кредитлари:	41 млрд. сўм
Тўғридан тўғри хорижий инвестициялар:	61 млн. АҚШ доллари
Яратиладиган иш ўрни:	860 та

# Government support for investment activities

## Conditions for the formation and functioning of enterprises with foreign investment

### Forms of investment:

- Creation of a joint venture;
- Creation of an enterprise with 100% foreign capital;
- Acquisition of partial or a full package of shares of joint stock companies

### Joint (foreign) enterprises are recognized as newly created enterprises that meet the following requirements:

- The amount of the investment fund is not less than 150 thousand USD;
- One of the participants of the enterprise is a foreign legal entity;
- The share of foreign investment is at least 30% of the investment fund..

### Foreign investors can be provided with additional guarantees if they invest:

- In priority sectors that ensure sustainable economic growth;
- In the introduction of high-end modern technologies;
- In projects aimed at expanding the export potential;
- Projects in the field of small business

### Income of foreign investor, generated in the Republic of Uzbekistan:

Can be reinvested in the territory of the Republic of Uzbekistan or used in any other way at the discretion of a foreign investor



## Government support for investment activities

### Preferential taxation for foreign investors and companies with foreign investment:

#### On corporate income tax

- Taxable profit is reduced by the amount: of
- Funds allocated for the modernization of production;
  - Purchase of new equipment;
  - Construction works for expansion of production;
  - Funds directed to repay loans.

#### On value-added tax (VAT)

- VAT is exempted from imports of:
- technological equipment, according to the list approved by the legislation, as well as components and spare parts for it;
  - property, imported as investment obligations.

#### On customs payments

- Exempt from payment of customs duties on:
- Property imported by foreign investors to Uzbekistan for their own production needs;
  - Property imported for the personal needs of foreign investors and foreign nationals who are in Uzbekistan under employment contracts;
  - Goods imported by foreign legal entities that made direct investments for a total amount of more than \$ 50 million if the imported goods are products of their own production;
  - Technological equipment, according to the list approved by the legislation, as well as components and spare parts for it;
  - Property, imported as investment obligations.



## Government support for investment activities

### Preferential taxation for foreign investors and enterprises with foreign investments on several types of taxes and other mandatory payments

For **exporting enterprises**, the procedure for paying income tax and property tax is applied, based on the share of exports of own-produced goods

- ✓ if the share of exports is from 15% to 30% in total sales – income tax (profit) and property tax rates will be reduced by 30%
- ✓ if the share of export is 30% or more in total sales, income tax (profit) and property tax rates will be reduced by 2 times

**Exemption of companies**, who attract direct private foreign investments and are engaged in production of goods in sectors of the economy according to the list of priority sectors

#### Exemption from payment of:

- ✓ Corporate income tax
- ✓ Property tax
- ✓ Tax on improvement and development of social infrastructure
- ✓ Obligatory deductions to the Republican Road Fund
- ✓ Single tax payment for microfirms and small businesses

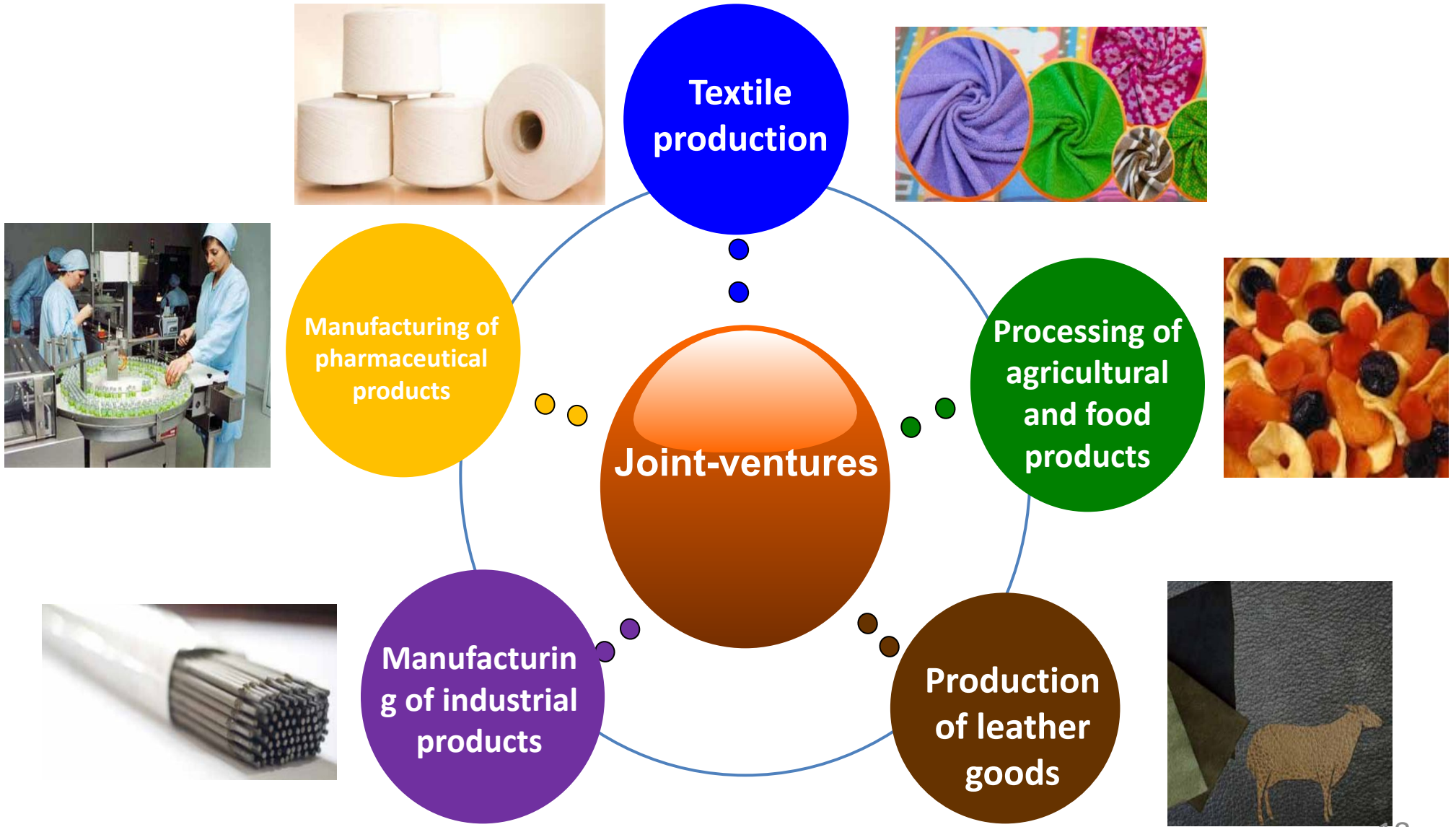
For companies engaged in prospecting, exploration, oil and gas production

**Exempt** foreign companies that perform exploratory activities for oil and gas from payment of:

- ✓ All kinds of taxes and mandatory payments to off-budget funds for the period of geological exploration;
- ✓ Customs payments for the import of equipment, material and technical resources and services required for work.

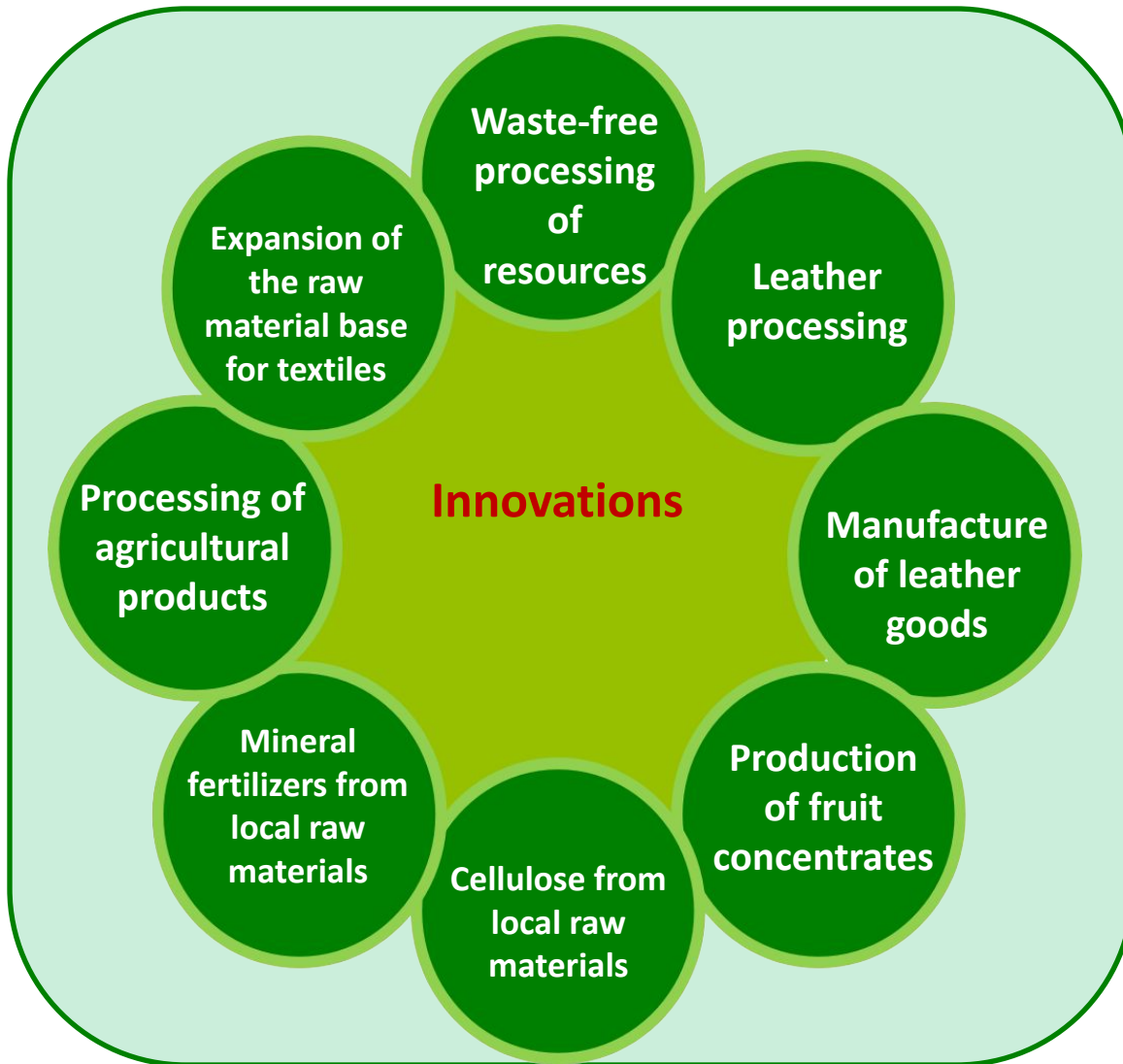
**Exempt** oil and gas production joint ventures that carry out prospecting and exploration for oil and gas from payment of profit tax for a period of 7 years from the commencement of oil or gas production.

# Perspective directions for cooperation



# Investment proposals for investors on the basis of innovative approaches to the development and implementation of initiated projects

## 1 approach. Innovations in the spheres mostly interested by entrepreneurs



## 2 approach. Specific innovative projects that require investment:

- ❖ Expansion of the range of textile products on the basis of improving the structural composition of materials
- ❖ Creation of biologically active polymers (fungi) of antiseptic purpose for leather processing
- ❖ A rational, effective and environmentally friendly technology for processing leather waste
- ❖ Production of children's shoes with varying dimensions and configuration
- ❖ Synthetic leather production
- ❖ Production of footwear from molded rubber
- ❖ Production of textile shoe fabrics with and without nap
- ❖ Other projects

**3 approach. Innovative ideas for the organization of new projects were developed by scientists and specialists of Namangan**

**These ideas are ready and require investment**



# “Namangan City” Bussiness Centre Project in Namangan

**Location:**

**Guliston street,  
Namangan city**

**Area:**

**78 ha**

**The construction  
period: 24 months**

**The amount of the  
project: \$200,0 mln.**

**Created  
jobs: 5000**





# Reconstruction concept of the "Business Center" located on the street Gulistan in the center of Namangan city



## Explication:

1. Business center
2. Hotel
3. Business center
4. Bank
5. Administrative center
6. Techno park
7. Showroom
8. cultural Trade zone
9. Expocenter
10. Hyper market
11. Cinema, museum
12. Shopping center
13. Car parking-Sports Park
14. Mosque
15. Greenhouse
16. Park
17. Sport complex
18. Multi-storey parking

# Investment Project of Establishing Hotels

## Brief information about Initiator

**Legal entity:** LLC "Adjama"  
**Main activity:** Trade  
**Total area of Organization:** 0,20 ha  
**Occupying area of Buildings:** 0,10 ha  
**Address:** 1, Islam Karimov street,  
 Namangan city



## Cost of Project is 2.4 million USD

**Financing Project**  
**Foreign capital** unavailable  
**Annual service capacity** 53.4 thousand people  
**Annual turnover** 0,9 million USD  
**Labor opportunities** 35 people  
**Provision of Communication Network:** Available  
 (elector energy, gas, water supply, canalization)  
**Duration of Project:** 3 years



## Main expenditures

**Construction Work** 0.8 million USD  
**Equipment** 1,1 million USD  
**Working assets** 0.2 million USD  
**Other expenses** 0.3 million USD

	Operating income (Million USD)					
	Period	2020	2021	2022	2023	total
Prior economical expenditure	Salvage	1,2	1,3	1,3	1,6	<b>5,4</b>
	Expenditure of Project	0,8	0,9	0,9	1,2	<b>3,8</b>



# New projects

## New Aqua park



Location:

Oromgoh  
massiv,  
Salomatlik street

Date of  
implementation

2021

Area

3 ha

New workplaces

60

Planned investments

8 mln. USD



# “AHSIKENT” Hotel project in Turakurgan

**Location:**  
Bozorboshi street,  
Turakurgan district

**Area:**  
3 ha

**The construction period:** 24 months

**The amount of the project:** \$ 1.5 mln.

**Created jobs:**  
120





# “Univer City” Gipermarket project in Uchkurgan

**Location:**  
Dostlik street,  
Uchkurgan district

**Area:**  
0.25 ha

**The construction  
period:** 24 months

**The amount of the  
project:** \$ 5.0 mln.

**Created jobs:**  
40





# “Kasansay sanatorium ” project in Kasansay district Olmazor village

**Location:**  
Kasansay district,  
Olmazor village

**Area:**  
10 ha

**The construction  
period:** 24 months

**The amount of the  
project:** \$15 mln

**Created jobs:**  
200

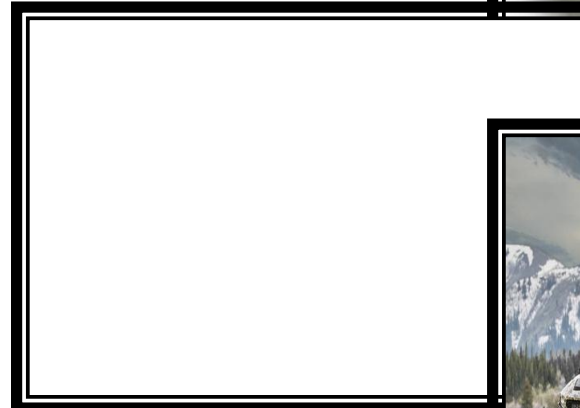


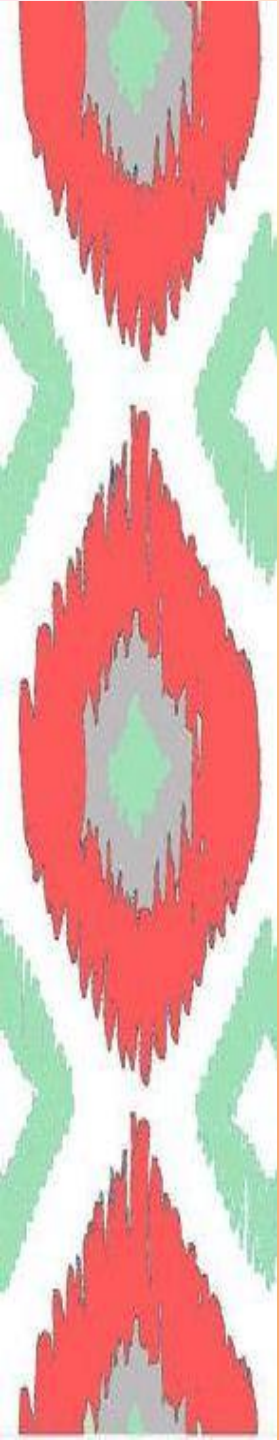


# Existing opportunities for further development of tourism industry in the Pop district (Offers)

1. Organization of mountain roads through the mountains and the surrounding areas of the Chodak tourist zone in the district, and by establishing special mountain slopes through the pilgrimage sites and attractions of the region, special techniques (Quadrocycles) service.

2. - Ability to create modern hotels and entertainment facilities on the route and mountain slopes of the Chodak tourist zone in the district.





**Welcome to Namangan region!**