

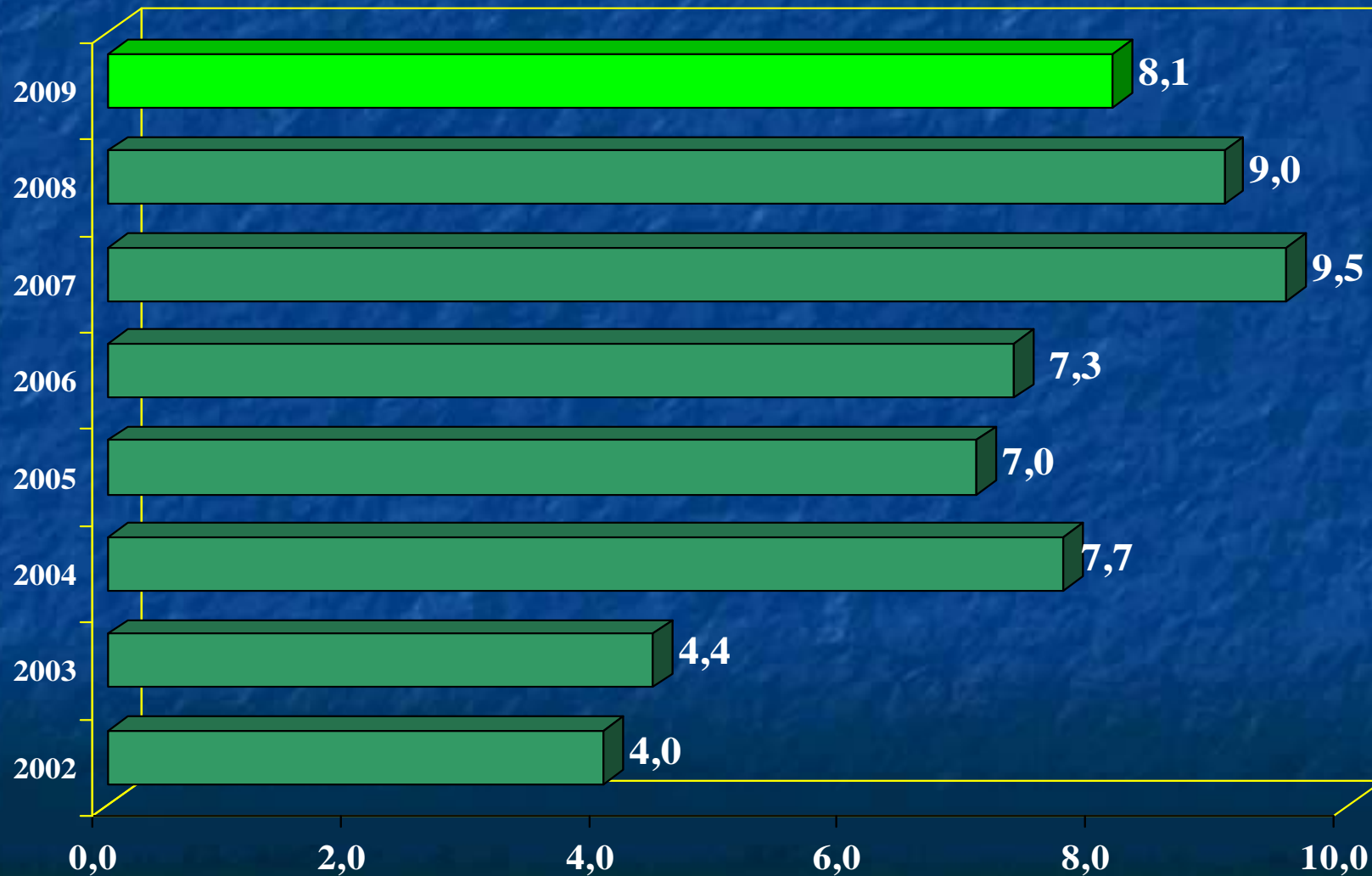


«Implementation of modern innovative technologies in production – as a prime factor of sustainable economic growth and guarantee of competitiveness of the country in the world market.

Akramov Akmal Ulmasovich – head of department in Ministry of economy, Republic of Uzbekistan

Main macroeconomic parameters

Growth rate of GDP (%)



Development of the industry of Uzbekistan

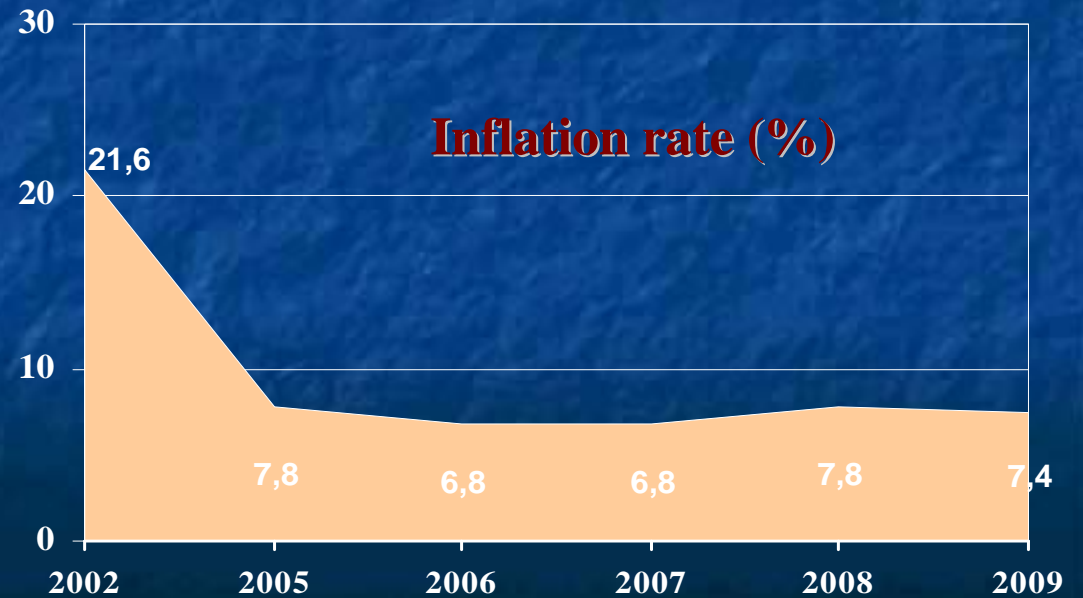
Dynamics of growth rate of industrial output and share of the industry in GDP



The main Macroeconomic parameters

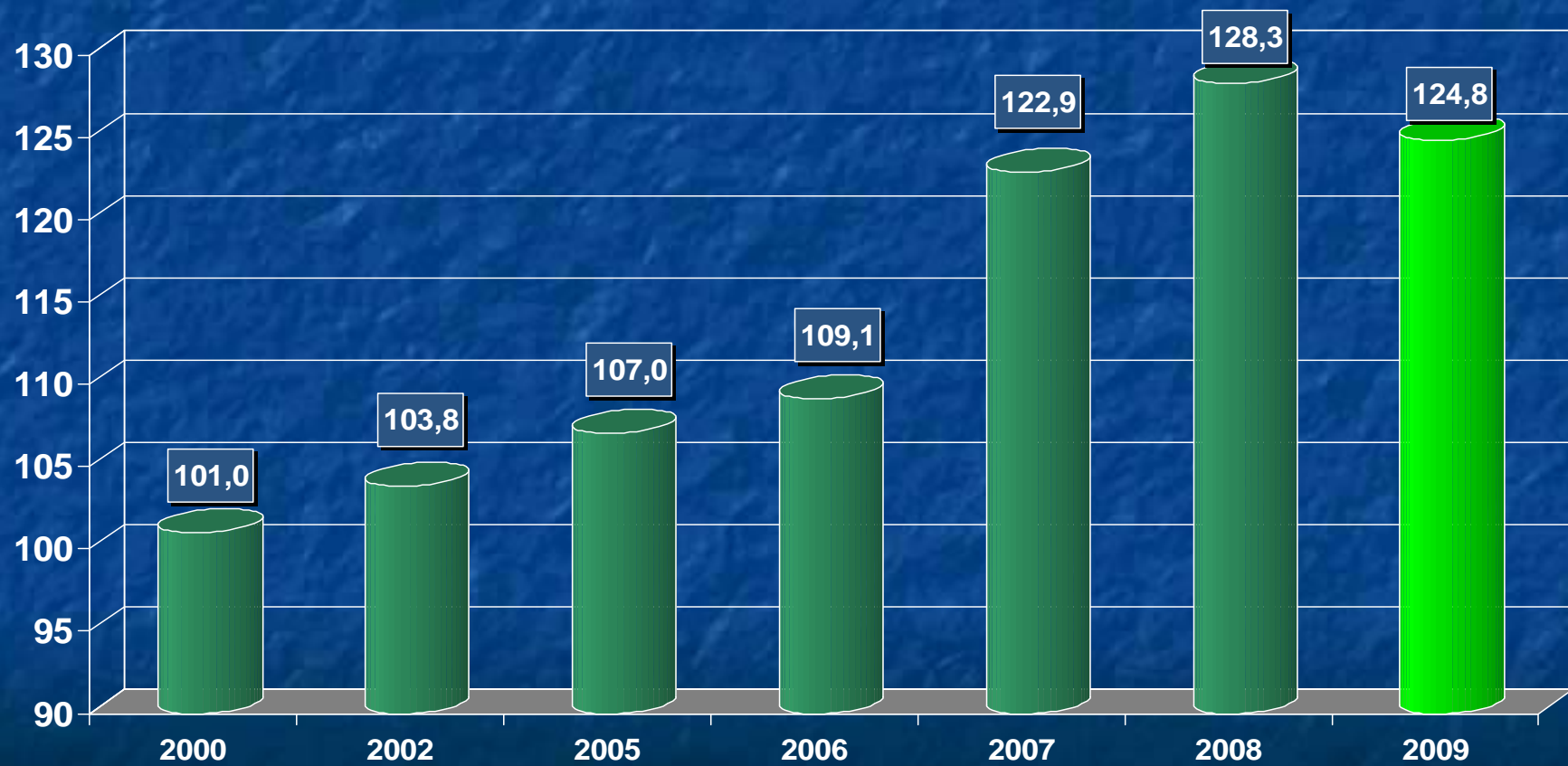
(continued)

Budget balance (% to GDP)



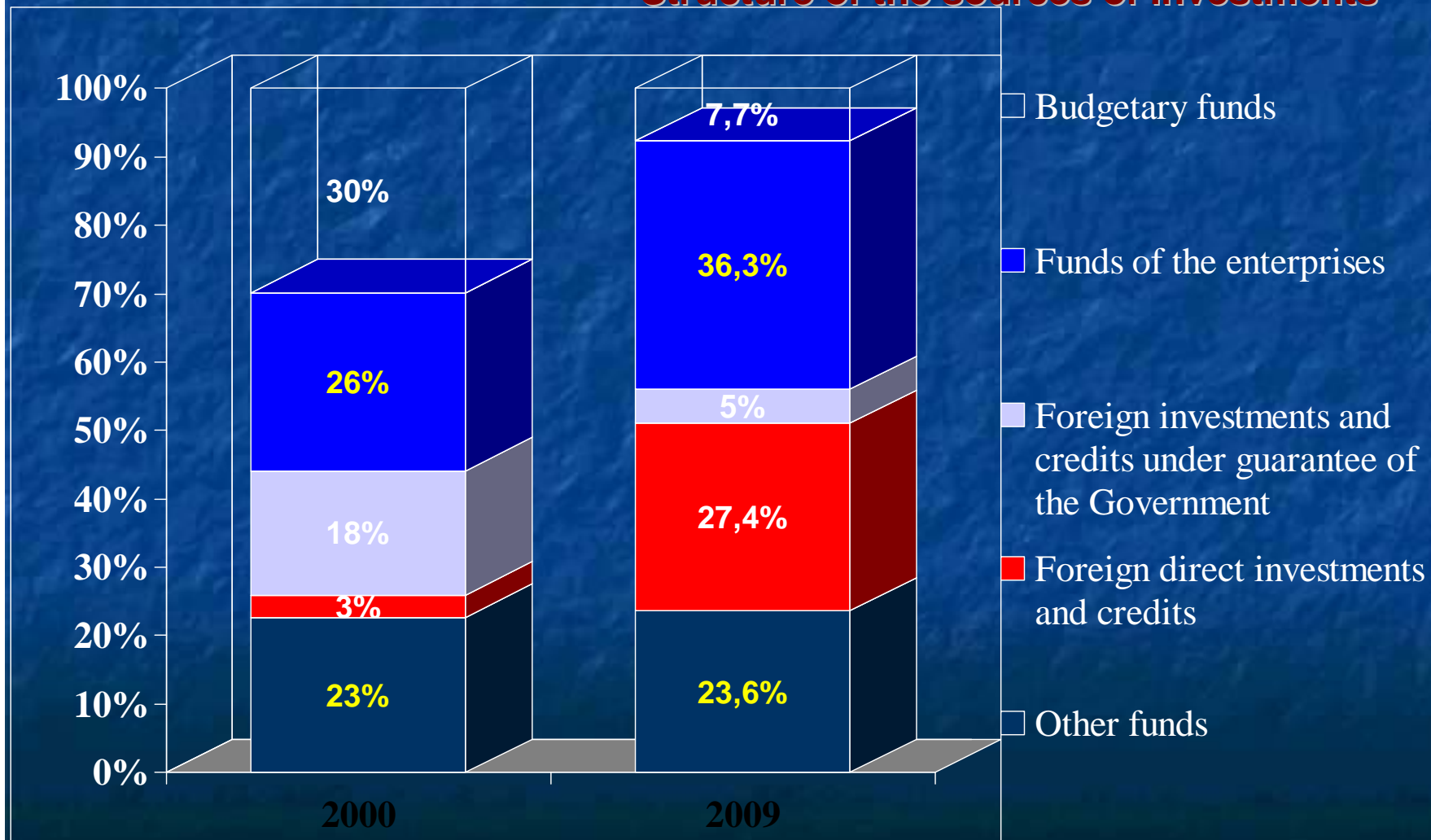
High rates of investments into economy

Growth of investments (%)



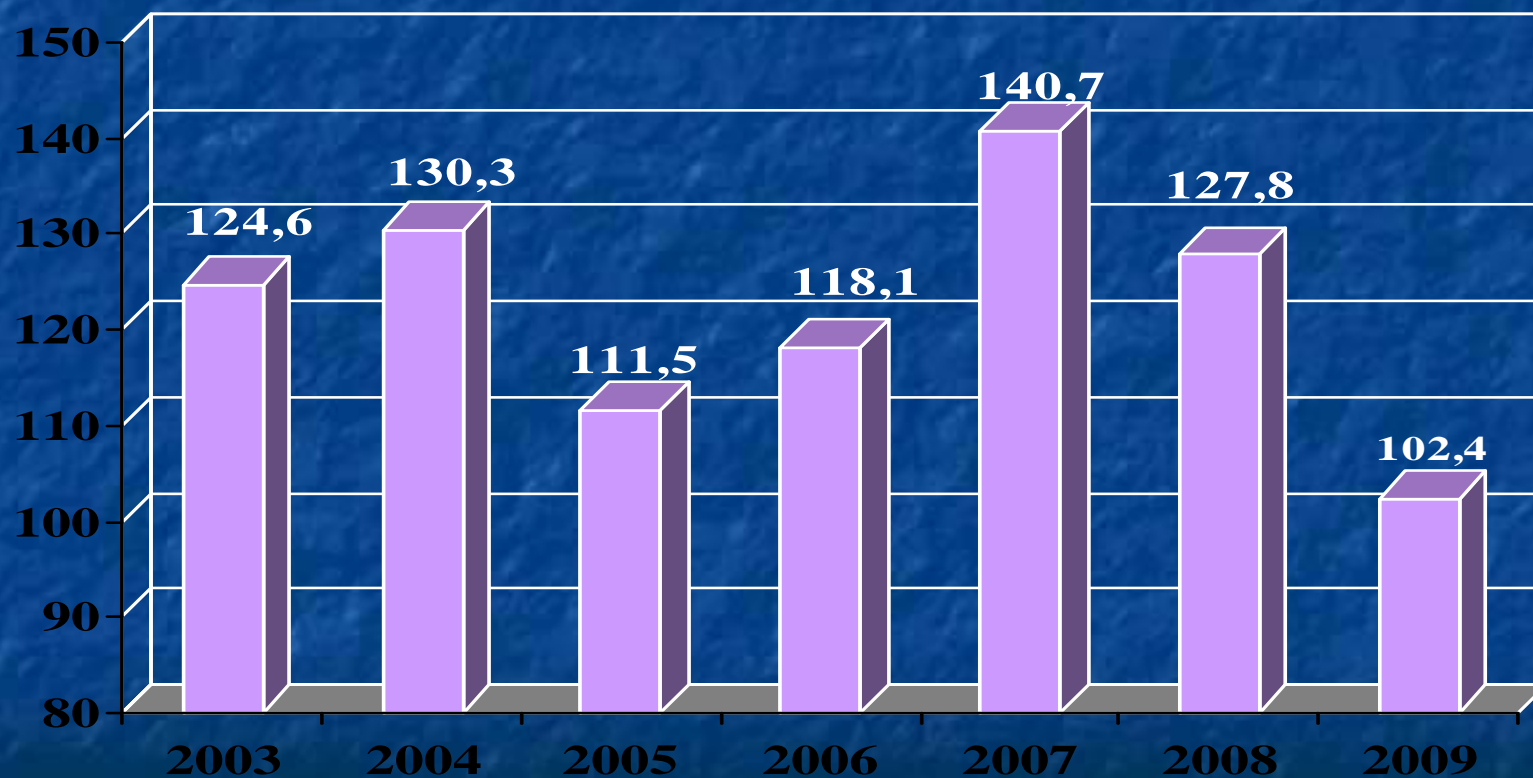
High investment activity of entrepreneurs and the population

Structure of the sources of Investments



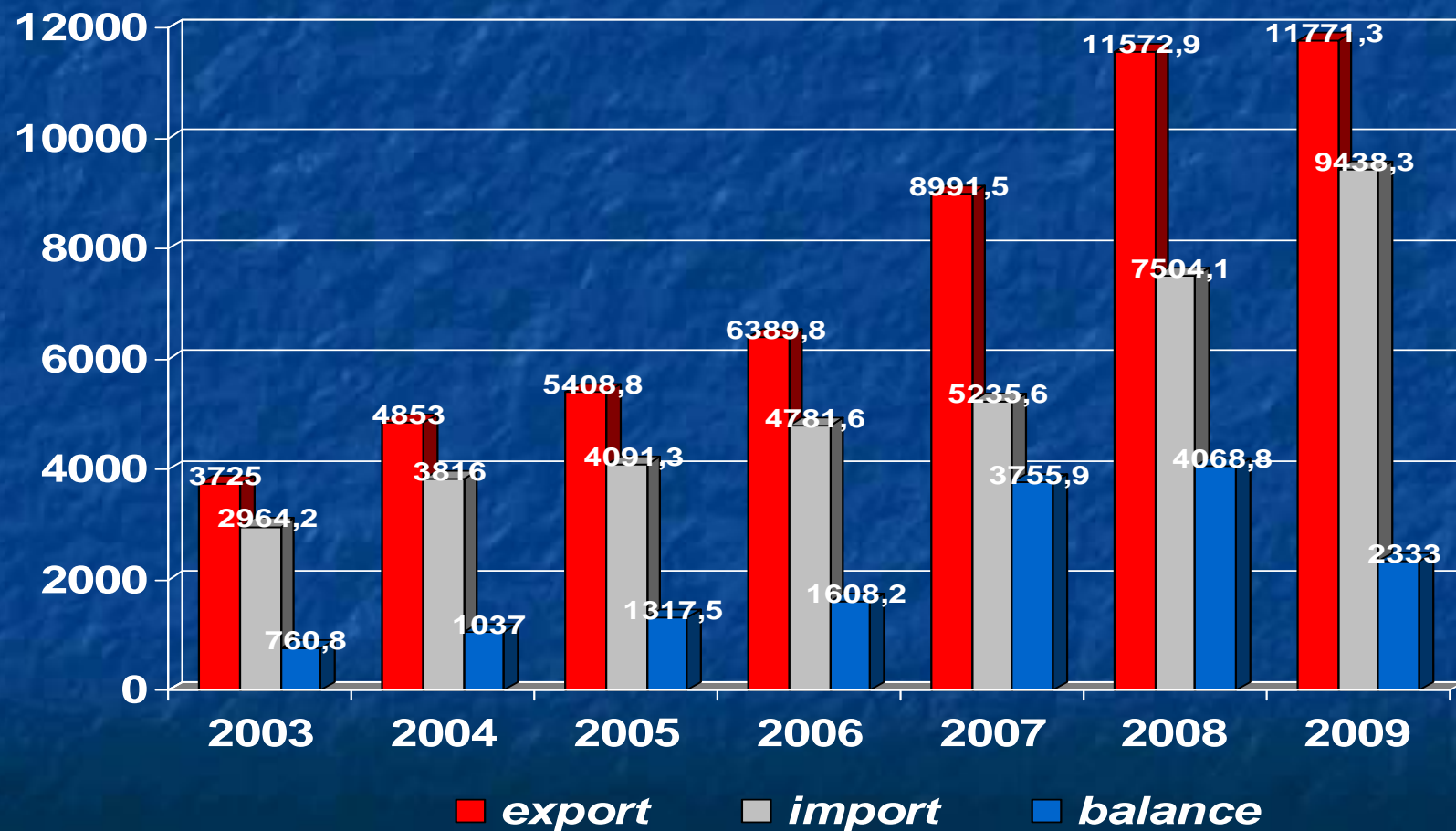
Foreign trade policy

Growth of export, in % to the previous year



Fluctuation dynamics of export, import and foreign trade balance volumes for the period of 2003-2009 y.

(mln. USA doll.)





Legislative base

Decree of the President of the Republic of Uzbekistan from July 15, 2008
#PD-916 "About additional measures on stimulating implementation of
innovation projects and technologies into manufacturing"

Objective of the Decree

- *building and developing national innovation system that will enable to evolve technological and scientific-research base in the republic, to enhance intellectual capitalization, to expand domestic market with innovation in all fields of life activity in the republic.*
- *implementation of scientific-applied researches and up-to-date innovation technologies into the process of modernization, technical and technological renewal of production;*
- *providing close relations of science and production*

Legislative base

(continued)

**Decree of Cabinet
Ministers of the Republic
of Uzbekistan from
november 10, 2008 #137**

«On measures on strengthening material and technical basis of scientific, scientific-research institutions and organizations»

**Decree of Cabinet
Ministers of the
Republic of Uzbekistan
from may 20, 2009 #144**

«On additional measures on stimulating implementation of innovation projects and technologies into manufacturing»

**Decree of Cabinet
Ministers of the Republic
of Uzbekistan from
october 15, 2008 #228**

«On advancing activity of Government unitary enterprise “Transfer technology agency”»

Annual Republican Innovation Fair of ideas, technologies and projects 2008-2010

Efficient mechanism on stimulating development and implementation of scientific and innovation activity results into manufacturing processes was created.

There were presented about 1900 scientific developments, signed 1057 contracts and protocols of intention for the sum of more than 35 billion sums. Particularly:

- 218 contracts for the sum of 5,3 billion sums were implemented;
- 155 contracts for the sum of 7,9 billion sums are being realized;
- 684 agreements for the sum of 21,9 billion sums are at the stage of elaboration with possibility of mid-term (2011-2012) realization.

Annual Republican Innovation Fair of ideas, technologies and projects

The results of conducted three Innovation Fairs showed:

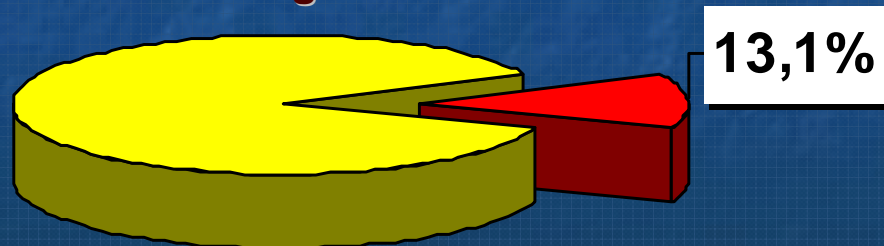
- high potential of national science and factual opportunities to increase volume of implementing and exporting new technologies, materials and other high-technology products;
- effectiveness of utilization of scientific-technical potential of scientific, scientific-research and designing organizations of the republic for the purpose of solving important issues related to developing economy and social spheres of the country;
- created conditions for the growth of science-intensive, high-technology production, particularly for the sustainable growth of small innovative entrepreneurship;
- provided complete integration of science and production.



Innovation activity of the Republic of Uzbekistan

Decree of the President of the Republic of Uzbekistan from March 12, 2009 #PD-1072 "On program measures on implementation of important projects on modernization, technical and technological re-equipment of production for the period of 2009-2014" provides implementation of 885 investment projects, particularly 127 of them are innovative projects

Share of innovative projects in total number of investment projects, that are being implemented according to PD-1072



■ **Всего проектов** ■ **проекты инновационного характера**





Innovative-investment projects directed to development of economy spheres

- ❑ Implementation of modern innovative technologies into production in 43 oil-fat and food industry enterprises (increasing production of oil, decreasing expenses of petrol extraction, economizing heat energy, improvement of product quality);
- ❑ Implementation of modified filter-appliances on the basis of nanotechnology (ceramic membranes) for the purpose of deliberate refining grounded on domestic elaborations;
- ❑ Production of synthetic liquid fuel and paraffin on the basis of processing cleaned methane at “Shurtan” gas chemical complex;
- ❑ Production of architectural and special (backfill) cement;
- ❑ Biothermal processing of municipal wastes including production of biogas or electricity in cooperation with French Agency of Development in Tashkent city (within the bounds of CDM);
- ❑ Production of aluminous-cement from secondary kaolin clay.

Implementation of modern foreign innovative technologies into Free industrial economic zone "Navoi".

Decree of the
President of the
Republic of Uzbekistan
from december 2, 2008
#DP-4059

On creation of Free industrial economic zone in
Navoi region

Objective of Decree

- Creation of favorable conditions to attract foreign investment, especially foreign direct investment, to organize modern high-technology production providing output of products that corresponds to world standards and demanded in world markets.
- Development of industrial potential, manufacturing, transport-transition and social infrastructure of Navoi region.

INCENTIVES AND PREFERENCES

The FIEZ residents are exempted from:

- Land tax

- Property tax

- Obligatory payments to the Republican Road Fund

- Republican Fund of Elementary and Secondary Education

- Profit (income) tax

- Unified tax (for SMEs)

Registered enterprises for the whole period of FIEZ functioning to produce export goods are exempted from customs duties for imported:

- equipment

- raw materials

- production components

INCENTIVES AND PREFERENCES FOR FOREIGN INVESTORS

UNPRECEDENT TAX EXEMPTIONS

Period of privileges and incentives

- 7 years, if amount of direct investments is 3-10 mln. Euro
- 10 years, if amount of direct investments is 10-30 mln. Euro, and 50% reduction of profit tax for the following 5 years
- 15 years, if amount of direct investments is more than 30 mln. Euro, and 50% reduction of profit tax for the following 10 years

Allocated projects in FIEZ “Navoi”

Presently in the territory of FIEZ “Navoi” 18 projects jointly with foreign investors are being implemented in the following fields of industry:

- food industry (1 enterprise);
- electronic and electric engineering (7 enterprises);
- precision machinery & OEM parts for automobile industry (5 enterprises);
- pharmaceutical industry and medical products (2 enterprises);
- manufacture of plastics (3 enterprises).

Projects suggested for joint implementation with foreign companies in FIEZ "Navoi"

Denomination of the project	Initiator of the project
Organization of production of mobile phones	Association "Uzeltexsanoat"
Organization of production of electric motors of various configurations	Association "Uzeltexsanoat"
Organization of production of personal computers	Association "Uzeltexsanoat"
Organization of production of acoustic systems	Association "Uzeltexsanoat"
Organizations of production of home and kitchen appliances	Association "Uzeltexsanoat"
Organizations of production of small home appliances	Association "Uzeltexsanoat"
Organizations of production of home air conditioners and air purifiers	Association "Uzeltexsanoat"
Organizations of production of audio and video products	Association "Uzeltexsanoat"
Organization of production of gas shock absorbers for automobiles of "GM Uzbekistan"	SC "Uzavtosanoat"
Organization of production of brake pads for automobiles of "GM Uzbekistan"	SC "Uzavtosanoat"

Projects suggested for joint implementation with foreign companies in FIEZ "Navoi" (continued)

Denomination of the project	Initiator of the project
Organization of production of spark plugs for automobiles of "GM Uzbekistan	SC "Uzavtosanoat"
Organization of production of seat belts for automobiles of "GM Uzbekistan	SC "Uzavtosanoat"
Confectionary factory to the workshop for the processing of cocoa beans	Association "Oil-fat and food industry"
Production of fast food from freeze-dried pieces of fruit and vegetables	Association "Oil-fat and food industry"
Combined fruit processing and production of purees, jams and fillings for confectionery industry	Association "Oil-fat and food industry"
Establishment of a joint venture for the production of devices of automation systems and control testing equipment	NHC "Uzbekneftegaz"
Organization of production of pharmaceutical glass from rod	ГАК "Узфармсанокт"

Thank you for attention!