

**Investment proposal for the project
«Organization of production of mobile phones»**

1. Project Title - «Organization of production of mobile phones»;

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

The primary goal of "Uzeltexsanoat" is to carry out common technical policy in electro-technical sphere of the economy, promote creation of new factories for production of electro technical products as well as to facilitate attraction of investments and high technologies and innovative technologies into the electro technical industry of Uzbekistan.

Enterprises that are members of the Association specialize on four basic directions of activity: manufacture of cable-wire products, production of industrial power and electric equipment (low and the high-voltage equipment, transformers, substations, switchboards, elevators, motorcycles and trailers, agricultural equipment, spare parts and components for automobiles, etc.), manufacture of home appliances and consumer electronics (TVs, refrigerators, air-conditioners, lighting equipment, semiconductors, etc.) and rendering services for repair of industrial equipment.

In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization within the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	GSM standard Mobile phone 800 and 1800 with integrated video camera	1000,0

4.1. Marketing:

- In accordance with preliminary calculations, due to growing purchasing power of population and dynamic development of mobile and IT telecommunications sphere of Uzbekistan an annual demand for the mobile phones on the local market only can make up to 5 mln. pcs per year. Drawing up of demand figures has been based on the following factors: number of mobile service users is around 15 mln.people, average period of change of phones is 2 years, quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity is up to 2 mln.pcs of mobile phone per year.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Currently, production of mobile devices in Uzbekistan and the market of Central Asia is absent, which means that demand on local markets for those goods is being satisfied with imported goods. The following brands are hot selling brands on local market: "Nokia", «Motorola», «Siemens», «Sony Ericson», «LG», «Samsung», «HTC», «Apple» etc.

4.2. Manufacture:

- The demand for the raw materials consists of the following - Imported: adapters, bluetooth, battery, antenna, vibration engine, screws, font (bluetooth), fonts (hands free), loud speaker, USB, automobile holders, joysticks, keypad, dynamics, ringers, display, chargers, protection films, camera, card readers, memory cards, micro schemes, microphone, PCB holders, instruments, power supplies, microscopes, optics, soldering stations, programmers and etc. Local: plastic details, keypad, body, panels, data cables, cables for boxes, packing from cardboards, foam plastic filler for mobile telephone, packing and consumable materials, stencils, slaves (scotch tape, label, protection film), instructions and brochures, software.
- Technological process: SMT installation of PCB (memory cards, micro schemes, adopters, dynamics, ringers, antenna, vibration engine, camera and etc.); making, punching and assembly of metal and plastic cases; conveyor assembly of telephones and testing, development of software.
- Major suppliers and manufacturers of necessary equipment are “Nokia”, “Motorola”, “Fujitsu Siemens”, “Sony Erickson”, “Alcatel”, “Lg”, “Samsung”, “Huawei” and others.
- The Basic suppliers of the equipment and completing materials can be: various Japanese, and companies of Asia and the Pacific region (Sony, Panasonic, Sanyo, Philips etc).
- Number of workplaces: managerial positions -15 person, technical staff - 100 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices – 0,5 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	2,5	-	2,5	-	-
2	Equipment	Mln USD	10,5	-	10,5	-	-
3	Floating capital	Mln USD	2,5	-	2,5	-	-
Total:		Mln USD	15,0	-	15,0	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and sales revenues:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
GSM standard Mobile phone 800 and 1800 with integrated video camera	1000,0	60,0	1250,0	75,0	1500,0	90,0	2000,0	120,0

- Approximate sale price of the item - 60,0 USD;
- Approximate payback period of the project - 4 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

**Passport of the investment proposal for the project
«Organization of production of mobile phones»**

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	15000,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	15000,0	
2.	Expenses in foreign currency, total	thousand USD	15000,0	
2.1.	incl. Equipment	thousand USD	10500,0	
2.2.	Construction works	thousand USD	2000,0	
2.3.	Floating capital	thousand USD	2500,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	15000,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	115	
5.1.	Incl. newly created jobs	Person	115	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	4	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	2000,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	Up to 500,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 188,4	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 30000,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project “Organization of production of acoustic systems”

1. Project Title - « Organization of production of acoustic systems ».

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

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4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1st year of project implementation (in K pcs)
1	Car Audio speakers	50,0
2	Loudspeakers for consumer electronics	10,0

4.1. Marketing:

- Due to growing purchasing power of population and dynamic development of home appliances market as well as rapid development of automobile industry of the country an annual demand for the products produced within the project on local market only can make up to 500-600 K of acoustic systems and loudspeakers per year. Drawing up of demand figures has been based on the following factors: quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %. National car making company “GM-Uzbekistan”, which also could be a potential partner of the project, produces up to 250 cars per year.
- Annual volume of production at 100 % production capacity:
 - Car audio speakers – 500,0 thousand pcs. per. year;
 - Loudspeakers for consumer electronics - 50,0 thousand pcs. per. year.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- In present there are no any manufacturers of acoustic systems in Uzbekistan. At the same time, the products under the world known brands (Sony, Sanyo, Pioneer, JBL, Infinity, Kenwood, Bose etc) are

being actively sold on local market.

4.2. Manufacture:

- Need for raw material and accessories Import: aluminum, steel, shockproof polystyrene, polystyrene for production of plastic details, cellulose, inductive magnetic coils, set of microcircuits, arm of the speaker, resistors and etc. Local: copper and copper wire, enameled wire, packing materials, cardboard, rubber, front panel, back cover, power board, power cord, foam plastic package, packing materials, polyethylene package, stickers, diesel fuel, propane gas, and etc.
- Technological process of production consists of the following stages: Manufacture of diffusers on the basis of paper molding, manufacture of centering washers in hot pressing from preliminary impregnated and dried up fabrics, manufacture of rubber and polyurethane pendants, manufacture of dustproof cover, manufacture of coil, stamping on injection machines of metal of aluminum case, magnetization of magnetic system, assembly, measuring and testing.
- The Basic suppliers of the equipment and completing materials can be: various Japanese electric companies and companies of Asia and the Pacific region.
- Number of workplaces: managerial positions - 15 person, technical staff - 150 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices – 0,8 hectare, production areas - 1,5 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	1,0	-	1,0	-	-
2	Equipment	Mln USD	2,5	-	2,5	-	-
3	Floating capital	Mln USD	1,0	-	1,0	-	-
Total:		Mln USD	4,5	-	4,5	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Car Audio speakers	50,0	1,0	100,0	2,0	250,0	5,0	500,0	10,0
Loudspeakers for consumer electronics	10,0	0,5	20	1,0	40	2,0	50,0	2,5

Approximate sale price of the item:

- ? Car audio speakers - 20,0 USD;
- Loudspeakers for consumer electronics - 50,0 USD.

Approximate payback period of the project - 5 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	4500,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	4500,0	
2.	Expenses in foreign currency, total	thousand USD	4500,0	
2.1.	incl. Equipment	thousand USD	2500,0	
2.2.	Construction works	thousand USD	1000,0	
2.3.	Floating capital	thousand USD	1500,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	4500,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	165	
5.1.	Incl. newly created jobs	Person	165	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	5	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	550,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	Up to 137,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 19,625	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 3125,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project
« Organizations of production of audio and video products»

1. Project Title - «Organizations of production of audio and video products»;

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

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In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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The project is offered for realization in the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	TVs and monitors	50,0
2	CD/DVD/MP3 Players	20,0
3	Hi-Fi systems	20,0

4.1. Marketing:

- Due to growing purchasing power of population and dynamic development of home appliances market an annual demand for products produced within the project local market only can make: TVs - up to 550 K pcs., CD/DVD/MP3 players - up to 350 K pcs and Hi-Fi systems of up to 200 K pcs per year. Drawing up of demand figures has been based on the following factors: quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity:
 - TVs and monitors - 200 K pcs,
 - CD/DVD/MP3 Players - 100 K pcs,
 - Hi-Fi systems - 50 K pcs.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Major manufacturers of similar production in the country and the region: «Roison Electronics» (Uzbekistan) with production volume of TVs with local "Roison" and "Samsung" brands of up to 100 K pcs per year, JSC "FOTON" (Uzbekistan) with production volume of TVs of up to 15 K pcs per year (local brand), JSC "Zenith Electronics" (Uzbekistan) with production volume of CRT and LCD TVs with "LG" brand of up to 70 K pcs per year. Those enterprises introduced SKD assembly of TVs not a full scaled production. Production of Hi-Fi systems and CD/DVD/MP3 players is absent at this time which means that demand on local markets for those goods is being satisfied with imported goods.

4.2. Manufacture:

- Need for raw material and accessories, **Materials - Imported:** polystyrene (HIPS), paint, solvent (HIPS10), foaming polystyrene, EPS, steel rolls and steel plates. **Local:** diesel, fuel, gas, electricity, polyethylene. **Spare parts - Imported:** antenna, speakers, inductive reels, PCB, resistors, condensers, diodes, kinescope flat and PDP or LCD panels, transformers, tuner. **Local:** front case, back cover, power cords, screws, screw bolts, metal details, foam packing, polyethylene packing, labels, manuals.
- Technological process includes: molding from HIPS front case and back case, painting and printing labels, making of foam plastic packing material, making of boxes, surface mounting and inserting electronic components onto PCBs, manufacturing of various metal details, assembly of products, testing of products.
- The Basic suppliers of the equipment and completing materials can be: various Japanese, and companies of Asia and the Pacific region (Sony, Panasonic, Sanyo, Philips etc).
- Number of workplaces: managerial positions -15 person, technical staff - 135 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices - 1,0 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	2,5	-	2,5	-	-
2	Equipment	Mln USD	5,5	-	5,5	-	-
3	Floating capital	Mln USD	3,0	-	3,0	-	-
Total:		Mln USD	11,0	-	11,0	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
TVs and monitors	50,0	15,0	100,0	30,0	150,0	45,0	200,0	60,0
CD/DVD/MP3 players	20,0	0,7	30,0	1,05	40,0	1,4	100,0	3,5
Hi-Fi Systems	20,0	2,0	30,0	3,0	40,0	4,0	50,0	5,0

Approximate sale price of the item:

- TVs and monitors (including. ЖК and plasma) - 300,0 USD;
- CD/DVD/MP3 players - 35,0 USD
- Hi-Fi Systems - 100,0 USD

Approximate payback period of the project - 5 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

Passport of the investment proposal for the project «Organization of production of audio and video appliances»

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	11000,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	11000,0	
2.	Expenses in foreign currency, total	thousand USD	11000,0	
2.1.	incl. Equipment	thousand USD	5500,0	
2.2.	Construction works	thousand USD	2500,0	
2.3.	Floating capital	thousand USD	3000,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	11000,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	150	
5.1.	Incl. newly created jobs	Person	150	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	5	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	Up to 350,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	До 87,5	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 107,545	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 17125,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project
«Organizations of production of home air conditioners and air purifiers»

1. Project Title - «Organizations of production of home air conditioners and air purifiers».

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In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization in the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	Air conditioners	50,0
2	Air purifiers	20,0

4.1. Marketing:

- Due to growing purchasing power of population and dynamic development of home appliances market as well as climatic conditions of the country an annual demand for products produced within the project local market only can make: Air conditioners - up to 300 K pcs., and Air purifiers - up to 100 K pcs per year. Drawing up of demand figures has been based on the following factors: quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity:
 - Air conditioners - 150 K pcs,
 - Air purifiers - 50 K pcs,
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Major manufacturers of similar production in the country and the region: «Roison Electronics» (Uzbekistan) with production volume of Air conditioners with local "Roison" and "Samsung" brands of up to 20 K pcs per year, JSC "SINO" (Uzbekistan) with production volume of air conditioners of up to 15 K pcs per year (local brand), JSC "Zenith" (Uzbekistan) with production volume of air conditioners with "LG" brand of up to 20 K pcs per year. Those enterprises introduced SKD assembly of air conditioners and not full scaled production. Production of air purifiers and other well-being products is absent, which means that demand on local markets for those goods is being satisfied with imported goods.

4.2. Manufacture:

- Need for raw material and accessories, **Materials** - Imported: polystyrene (HIPS), paint, solvent (HIPS10), foaming polystyrene, EPS, steel rolls and steel plates. Local: copper, metal, diesel, fuel, gas, electricity, polyethylene. **Spare parts** - Imported: electronic parts, filters, compressor etc. Local: copper pipes, front case, back cover, power cords,

screws, screw bolts, metal details, foam packing, polyethylene packing, labels, manuals.

- Generally, technological process includes numerous operations, including but not limited to molding from HIPS front case and back case, painting and printing labels, making of foam plastic packing material, making of boxes, surface mounting and inserting electronic components onto PCBs, manufacturing of various metal details, assembly of products, testing of products etc..
- The Basic suppliers of the equipment and spare parts and components can be: various Japanese, and companies of Asia and the Pacific region (Sony, Panasonic, Sanyo, Philips etc).
- Number of workplaces: managerial positions -15 person, technical staff - 165 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices - 1,0 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	2,0	-	2,0	-	-
2	Equipment	Mln USD	5,0	-	5,0	-	-
3	Floating capital	Mln USD	2,0	-	2,0	-	-
Total:		Mln USD	9,0	-	9,0	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Air conditioners	50,0	15,0	75	22,5	100,0	30,0	150,0	45,0
Air purifiers	20,0	2,0	30,0	3,0	40,0	4,0	50,0	5,0

Approximate sale price of the item:

- Air conditioners - 300,0 USD;
- Air purifiers - 100,0 USD.

Approximate payback period of the project - 4 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

**Passport of the investment proposal for the project
« Organizations of production of home air conditioners and air purifiers»**

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	9000,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	9000,0	
2.	Expenses in foreign currency, total	thousand USD	9000,0	
2.1.	incl. Equipment	thousand USD	5000,0	
2.2.	Construction works	thousand USD	2000,0	
2.3.	Floating capital	thousand USD	2000,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	9000,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	180	
5.1.	Incl. newly created jobs	Person	180	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	4	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	Up to 200,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	До 50,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 78,5	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 12500,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project
«Organization of production of personal computers»

1. Project Title - «Organization of production of personal computers»;

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

The primary goal of "Uzeltexsanoat" is to carry out common technical policy in electro-technical sphere of the economy, promote creation of new factories for production of electro technical products as well as to facilitate attraction of investments and high technologies and innovative technologies into the electro technical industry of Uzbekistan.

Enterprises that are members of the Association specialize on four basic directions of activity: manufacture of cable-wire products, production of industrial power and electric equipment (low and the high-voltage equipment, transformers, substations, switchboards, elevators, motorcycles and trailers, agricultural equipment, spare parts and components for automobiles, etc.), manufacture of home appliances and consumer electronics (TVs, refrigerators, air-conditioners, lighting equipment, semiconductors, etc.) and rendering services for repair of industrial equipment.

In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization within the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project. The project will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	Personal computers	50,0

4.1. Marketing:

- In accordance with preliminary calculations, due to growing purchasing power of population and dynamic development of telecommunications and ICT sphere of Uzbekistan an annual demand for the computers on the local market only can make up to 350K pcs per year. Major customers of the products on the market are public agencies, institutions, organizations and private sector companies as well as population. Drawing up of demand figures has been based on the following factors: average period of change or modifications of PC is 2 years, quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity is up to 200K pcs of PC equipment per year.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Currently, full scale production of PC in Uzbekistan and the market of Central Asia is absent, which means that demand on local markets for white goods (branded PC) is being satisfied with imported goods. At the same time lot of small firms and private entrepreneurs assemble PC from components imported from China. The following world known brands are hot selling brands on local market: "Hewlett Packard", «Fujitsu Siemens», «Lenovo», «Sony Viao», «Great Wall», «Dell», «Acer» etc.

4.2. Manufacture:

- The demand for the raw materials consists of the following - Imported: adapters, bluetooth, battery, antenna, vibration engine, screws, font (bluetooth), fonts (hands free), loud speaker, USB, automobile holders, joysticks, keypad, dynamics, ringers, display, chargers, protection films, camera, card readers, memory cards, micro schemes, microphone, PCB holders, instruments, power supplies, microscopes, optics, soldering stations, programmers and etc. Local: plastic details, keypad, body, panels, data cables, cables for boxes, packing from cardboards, foam plastic filler for mobile telephone, packing and consumable materials, stencils, slaves (scotch tape, label, protection film), instructions and brochures, software.
- Technological process: SMT soldering of electronic boards (mother board, video card, electronic module of the power block), stamping and assembly of the metal case of PC and power bloc, manufacture of plastic parts of the case, keyboard, mouse on plastic injection machines, conveyer assembly of PC and testing..
- Major suppliers and manufacturers of necessary equipment could be Japanese ICT companies, as well as other companies from Asia and the Pacific region (Juki, Jintuo, Peking University Founder Group Co, Huangdi, Zhen Da, Yinggelansuo, HACO, Dong Shin, Engel etc).
- The Basic suppliers of the equipment and completing materials can be: various Japanese companies as well as companies of Asia and the Pacific region (Foreign - Asbis Distribution, FDC International FZE, Apacer Technology, IT Adventures LLC, also local – JSC “Uzelectroapparat-electroshield”, JV “Deutche Cable AG Tashkent”, JV “Zenith Electronics”, LLC “Axoft International”).
- Number of workplaces: managerial positions -15 person, technical staff - 100 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices – 0,5 hectare, production areas - 1,2 hectare, warehouses - 0,3 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 8600 thousand cubic meters per year.
- Electricity - 25000 kW in one year.
- Gas - 90 thousand cubic meters per year
- Drainage - 9700 thousand cube meters per year

4.4. Financial part (cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	1,2	-	1,2	-	-
2	Equipment	Mln USD	5,0	-	5,0	-	-
3	Floating capital	Mln USD	1,3	-	1,3	-	-
Total:		Mln USD	7,5	-	7,5	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and sales revenues:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Personal computers	50,0	12,5	100,0	25,0	150,0	37,5	200,0	50,0

- Approximate sale price of the item - 250,0 USD;
- Approximate payback period of the project - 4 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

« Organization of production of personal computers»

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	7500,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	7500,0	
2.	Expenses in foreign currency, total	thousand USD	7500,0	
2.1.	incl. Equipment	thousand USD	5000,0	
2.2.	Construction works	thousand USD	1200,0	
2.3.	Floating capital	thousand USD	1300,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	7500,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	110	
5.1.	Incl. newly created jobs	Person	110	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	4	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	200,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	Up to 50,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 78,5	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 12500,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project
«Organizations of production of home and kitchen appliances»

1. Project Title - «Organizations of production of home and kitchen appliances».

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

The primary goal of "Uzeltexsanoat" is to carry out common technical policy in electro-technical sphere of the economy, promote creation of new factories for production of electro technical products as well as to facilitate attraction of investments and high technologies and innovative technologies into the electro technical industry of Uzbekistan.

Enterprises that are members of the Association specialize on four basic directions of activity: manufacture of cable-wire products, production of industrial power and electric equipment (low and the high-voltage equipment, transformers, substations, switchboards, elevators, motorcycles and trailers, agricultural equipment, spare parts and components for automobiles, etc.), manufacture of home appliances and consumer electronics (TVs, refrigerators, air-conditioners, lighting equipment, semiconductors, etc.) and rendering services for repair of industrial equipment.

In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization in the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	Washing machines	30,0
2	Dish-washers	20,0

4.1. Marketing:

- Due to growing purchasing power of population, dynamic development of home appliances market and climatic features of the country an annual demand for products produced within the project local market only can make Washing machines - up to 270 K pcs. and Dish-washers - up to 150 K pcs per year. Drawing up of demand figures has been based on the following factors: quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity:
 - Washing machines - 100 K pcs,
 - Dish-washers - 50 K pcs,
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Currently, an assembly of washing machines has been set up on "Roison Electronics" Ltd (Uzbekistan) since 2009 with the brand of "Candy" (Italy). Production volume of up to 10K per year. Production of other kitchen appliances (dish-washers) is absent at this time which means that demand on local markets for those goods is being satisfied with imported goods. The products with the following brands are successfully sold in the local market: Bosch, Indesit, Ariston, Gefest, LG, Samsung, ARDO, Whirlpool etc.

4.2. Manufacture:

- Need for raw material and accessories, **Materials - Imported:** polystyrene (HIPS), ABS, paint, solvent (HIPS10), foaming polystyrene, EPS, steel rolls and steel plates. **Local:** copper, metal, diesel, fuel, gas, electricity, polyethylene. **Spare parts - Imported:** electronic parts, filters, compressor etc. **Local:** copper pipes, front case, back cover, power cords, screws, screw bolts, metal details, foam packing, polyethylene packing, labels, manuals.

- Generally, technological process includes numerous operations including but not limited to molding from HIPS inside case, making outside cover case from steel, painting and printing labels, making of foam plastic packing material, making of boxes, making drums, manufacturing small metal details and components, surface mounting and inserting electronic components onto PCBs, manufacturing of various metal details, assembly of products, testing of products etc.
- The Basic suppliers of the equipment and completing materials can be: various Japanese, and companies of Asia and the Pacific as well as European regions.
- Number of workplaces: managerial positions -15 person, technical staff - 150 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices - 1,0 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	2,5	-	2,5	-	-
2	Equipment	Mln USD	7,0	-	7,0	-	-
3	Floating capital	Mln USD	1,5	-	1,5	-	-
Total:		Mln USD	11,0	-	11,0	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Washing machines	25,0	7,5	35,0	10,5	50,0	15,0	100,0	30,0
Dish-washers	15,0	6,5	20,0	8,0	35,0	14,0	50,0	20,0

Approximate sale price of the item:

- Washing machines - 300,0 USD;
- Dish-washers - 0,0 USD;

Approximate payback period of the project - 4 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

**Passport of the investment proposal for the project
«Organization of production of audio and video appliances»**

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	11000,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	11000,0	
2.	Expenses in foreign currency, total	thousand USD	11000,0	
2.1.	incl. Equipment	thousand USD	7000,0	
2.2.	Construction works	thousand USD	2500,0	

2.3.	Floating capital	thousand USD	1500,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	11000,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	165	
5.1.	Incl. newly created jobs	Person	165	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	4	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	Up to 150,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	Up to 37,5	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 78,5	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 12500,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project “Organization of production of electric motors of various configurations”

1. Project Title - «Organization of production of electric motors of various configurations».

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

The primary goal of "Uzeltexsanoat" is to carry out common technical policy in electro-technical sphere of the economy, promote creation of new factories for production of electro technical products as well as to facilitate attraction of investments and high technologies and innovative technologies into the electro technical industry of Uzbekistan.

Enterprises that are members of the Association specialize on four basic directions of activity: manufacture of cable-wire products, production of industrial power and electric equipment (low and the high-voltage equipment, transformers, substations, switchboards, elevators, motorcycles and trailers, agricultural equipment, spare parts and components for automobiles, etc.), manufacture of home appliances and consumer electronics (TVs, refrigerators, air-conditioners, lighting equipment, semiconductors, etc.) and rendering services for repair of industrial equipment.

In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization in the territory of the Free Industrial Economic Zone “Navoi” (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1st year of project implementation (in K pcs)
1	Electric motor with power up to 1, kWt	100,0
2	Electric motor with power up to 1,0-10,0 kWt	10,0
3	Electric motor with power up to 10,0-90,0 kWt	2,5

4.1. Marketing:

- Major consumers of the product are industrial agricultural enterprises, Ministry of water and agriculture, automobile industry (250 K cars annually), farmer companies, industrial companies.
- Annual volume of production at 100 % production capacity:
 - Electric motor up to 1,0 kWt - 250,0 K pcs. per. year;
 - Electric motor up to 1,0-10 kWt - 25,0 K pcs. per. year;
 - Electric motor up to 10,0-90,0 kWt - 5,0 K pcs. per. year.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Currently, production of mobile devices in Uzbekistan and the market of Central Asia is absent, which means that demand on local markets for those goods is being satisfied with imported goods. However, according to the expert estimations electric motors of various modifications for the amount of 15-20 mln.USD are being annually imported into Uzbekistan

4.2. Manufacture:

- Need for raw material and accessories Import: aluminum, steel, shockproof polystyrene, polystyrene for production of plastic details. Local: main component – copper and copper wire, enameled wire, foam plastic filler, packing and consumable materials, instruction and brochures.
- Technological process of production consists of the following stages: Mechanic-stamping facility: (stamping of the details and mechanical processing of units of electric motor in universal half automatic or automatic equipment). Foundry facility: foundering of aluminum and plastic parts with preliminary mechanical processing. Isolation facility: isolation works of electric motor stators on automatic and half automatic equipment. Instrumental-repair facility: preparation of technological tool set (stamps, press-forms and etc.), measure and control tools, also complete parts for repair of technological equipment. Mechanical assembly facility: mechanical processing of details and their assembly, testing, painting and handling to the warehouse of finished goods.
- The Basic suppliers of the equipment and completing materials can be: various Japanese electric companies and companies of Asia and the Pacific region.
- Number of workplaces: managerial positions - 15 person, technical staff - 150 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices - 1,0 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 28600 thousand cubic meters per year.
- Electricity - 85000 kW in one year.
- Gas - 190 thousand cubic meters per year
- Drainage - 29700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	1,5	-	1,5	-	-
2	Equipment	Mln USD	5,0	-	5,0	-	-
3	Floating capital	Mln USD	1,5	-	1,5	-	-
Total:		Mln USD	8,0	-	8,0	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Electric motor with power up to 1, kWt	100,0	2,0	150,0	3,0	200,0	4,0	250,0	5,0
Electric motor with power up to 1,0-10,0 kWt	10,0	1,7	15,0	2,6	20,0	3,4	25,0	4,3
Electric motor with power up to 10,0-90,0 kWt	2,5	2,5	3,0	3,0	4,0	4,0	5,0	5,0

Approximate sale price of the item:

- • Electric motor up to 1,0 kWt - 20,0 USD;
- Electric motor up to 1,0-10 kWt - 170,0 USD;
- Electric motor up to 10,0-90,0 kWt - 1000,0 USD.

Approximate payback period of the project - 5 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

« Organization of production of electric motors of various configurations »

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	8000,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	8000,0	
2.	Expenses in foreign currency, total	thousand USD	8000,0	
2.1.	incl. Equipment	thousand USD	5000,0	
2.2.	Construction works	thousand USD	1500,0	
2.3.	Floating capital	thousand USD	1500,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	8000,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	170	
5.1.	Incl. newly created jobs	Person	170	
6.	Duration of construction works	Months	12	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	5	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	Up to 280,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	До 70,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 22,45	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 3575,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum

Investment proposal for the project
« Organizations of production of small home appliances »

1. Project Title - «Organizations of production of small home appliances».

2. General information on the project initiator: Association "Uzeltexsanoat" is established in 1994 according to the decision of the Government of Republic Uzbekistan and at current stage of its development unites on a voluntary basis more than 25 large enterprises of electrotechnical industry of the republic.

The primary goal of "Uzeltexsanoat" is to carry out common technical policy in electro-technical sphere of the economy, promote creation of new factories for production of electro technical products as well as to facilitate attraction of investments and high technologies and innovative technologies into the electro technical industry of Uzbekistan.

Enterprises that are members of the Association specialize on four basic directions of activity: manufacture of cable-wire products, production of industrial power and electric equipment (low and the high-voltage equipment, transformers, substations, switchboards, elevators, motorcycles and trailers, agricultural equipment, spare parts and components for automobiles, etc.), manufacture of home appliances and consumer electronics (TVs, refrigerators, air-conditioners, lighting equipment, semiconductors, etc.) and rendering services for repair of industrial equipment.

In 2009 the total volume of production and rendered services within the system of "Uzeltexsanoat" has made 372,7 bln.soums (245 Mln USD), and production growth rate in comparison with 2008 has made 117,2 %. Export in 2009 has made 68,9 Mln.USD and CIS and Central Asian markets are the major customers of the products.

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3. Information on the enterprise on the basis of which it is planned to realize the project:

The project is offered for realization in the territory of the Free Industrial Economic Zone "Navoi" (Uzbekistan).

4. Information on the project – It is expected that the project activities will be focused on the production of:

№	Product Title	Forecasted volume of production in 1 st year of project implementation (in K pcs)
1	Vacuum cleaners	30,0
2	Hair dryers	20,0
3	Electric meat grinders	30,0

4.1. Marketing:

- Due to growing purchasing power of population and dynamic development of home appliances market an annual demand for products produced within the project local market only can make: Vacuum cleaners - up to 300 K pcs., Hair dryers - up to 130 K pcs and Electric meat grinders of up to 100 K pcs per year. Drawing up of demand figures has been based on the following factors: quantity of families - 5,4 million, 248,5 K new families created annually, 60 % of families (3,24 million) live in a rural areas, 40 % of families (2,16 million) live in urban areas, annual population growth rate - 2 %.
- Annual volume of production at 100 % production capacity:
 - Vacuum cleaners - 100 K pcs,
 - Hair dryers - 100 K pcs,
 - Electric meat grinders - 100 K pcs.
- Local market of Uzbekistan will be selected as the primary marketing target for the products. At next states efforts will be made to enter the markets of Central Asian countries that are territorially close to production cite, as well as CIS countries. During the first stage of project implementation it is expected that share of exported goods can make up to 25 % from total volume of production. At later stages of project implementation the share of export will be brought up to 50 % from total production volume that will significantly reduce currency convertibility expenses. Uzbekistan is a member of CIS free trade zone, which consists of 12 CIS countries, which mean that products produced in Uzbekistan, can be sold throughout CIS region without import custom duties in countries of destination provided that localization degree of the goods produced in Uzbekistan is enough to obtain Certificate of Origin (ST1).
- Production of small home appliances is absent at this time which means that demand on local markets for those goods is being satisfied with imported goods. The products with the following brands are successfully sold in the local market: LG, Samsung, Gefest, Philips, Nikai, Sanyo, Sharp, etc.

4.2. Manufacture:

- Need for raw material and accessories, **Materials** - Imported: polystyrene (HIPS), paint, solvent (HIPS10), foaming polystyrene, EPS, steel rolls and steel plates. Local: copper, metal, diesel, fuel, gas, electricity, polyethylene. **Spare parts** - Imported: electronic parts, filters, compressor etc. Local: copper pipes, front case, back cover, power cords,

screws, screw bolts, metal details, foam packing, polyethylene packing, labels, manuals.

- Generally, technological process includes numerous operations, including but not limited to molding from HIPS front case and back case, painting and printing labels, making of foam plastic packing material, making of boxes, surface mounting and inserting electronic components onto PCBs, manufacturing of various metal details, assembly of products, testing of products etc.
- The Basic suppliers of the equipment and completing materials can be: various Japanese, and companies of Asia and the Pacific region.(Rowenta, Sanyo, Philips, LG, Samsung etc).
- Number of workplaces: managerial positions -15 person, technical staff - 120 people.

4.3. Construction, reconstruction or modernization: New construction;

The required land area: offices - 1,0 hectare, production areas - 1,9 hectare, warehouses - 0,5 hectare.

Requirements in industrial infrastructure:

- Necessity for a railway - required;
- Water supply - 21600 thousand cubic meters per year.
- Electricity - 24000 kW in one year.
- Gas - 110 thousand cubic meters per year
- Drainage - 19700 thousand cube meters per year

4.4. Financial part (Estimated cost of the project):

№	Project Cost, incl.	Unit	Cost	Sources of Financing			
				Own funds	FDI	Public funds	Credits
1	Construction works	Mln USD	2,0	-	2,0	-	-
2	Equipment	Mln USD	2,5	-	2,5	-	-
3	Floating capital	Mln USD	1,0	-	1,0	-	-
Total:		Mln USD	5,5	-	5,5	-	-

Approximate duration of construction works -10 months.

5. Expected results from realization of the project: Volume of manufacture and proceeds:

Product Title	1 year		2 year		3 year		4 year	
	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)	Qty (K pcs)	Amount (Mln USD)
Vacuum cleaners	30,0	2,4	50,0	4,0	80,0	6,4	100,0	8,0
Hair dryers	20,0	0,4	40,0	0,8	80,0	1,6	100,0	2,0
Electric meat grinders	30,0	1,2	40,0	1,6	80,0	3,2	100,0	4,0

Approximate sale price of the item:

- **Vacuum cleaners** - 80,0 USD;
- **Hair dryers** - 20,0 USD;
- **Electric meat grinders** - 40,0 USD;

Approximate payback period of the project - 5 years.

6. A condition of development and examination of the documentation under the project. Process of development the project documentation and feasibility study will be initiated after preliminary negotiations with the potential investor on the issues of cooperation.

Passport of the investment proposal for the project «Organization of production of audio and video appliances»

N	Indicators	Unit	Project parameters	Notes
1.	Total project cost, incl.:	thousand USD	5500,0	
1.1.	National currency	Mln.Soums	-	
1.2.	Foreign currency	thousand USD	5500,0	
2.	Expenses in foreign currency, total	thousand USD	5500,0	
2.1.	incl. Equipment	thousand USD	2500,0	
2.2.	Construction works	thousand USD	2000,0	

2.3.	Floating capital	thousand USD	1000,0	
3.	Expenses in local currency, total	Mln.Soums	-	
3.1.	Incl. for Equipment	Mln.Soums	-	
3.2.	For Construction	Mln.Soums	-	
4.	Sources of Financing :			
4.1.	Public funds	Mln.Soums	-	
4.2.	Foreign credits	thousand USD	-	
-	Incl. under the Government guarantee	thousand USD	-	
4.3.	FDI, total	thousand USD	5500,0	
-	Incl. Contribution to Charter funds	thousand USD	-	
4.4.	Own funds	Mln.Soums	-	
4.5.	Credit of Commercial banks	Mln.Soums	-	
4.6.	Other sources (identify)	Mln.Soums	-	
5.	Approximate number of workers,	Person	135	
5.1.	Incl. newly created jobs	Person	135	
6.	Duration of construction works	Months	10	
6.1.	Expected starting date of construction works	Months	After identification of foreign partners	
6.2.	Expected starting date of production	Months	After completion of construction works	
7.	Approximate project payback period	Years	5	
8.	Volume of annual production (at 100% production capacity)	Thousand pieces	Up to 300,0	
8.1.	Incl. Export (at 100% production capacity)	Thousand pieces	Up to 75,0	
9.	Annual gross income from the product sales (at 100% production capacity)	Bln. soums	Up to 21,98	
-	Incl. Export (at 100% production capacity)	Thousand USD	Up to 3500,0	
10.	Markets:			
10.1.	Local market share (at 100% production capacity)	%	75,0	
10.2.	Foreign markets share (at 100% production capacity)	%	25,0	

1 USD = 1570 Soum