

**MINISTRY OF INVESTMENT AND FOREIGN TRADE
REPUBLIC OF UZBEKISTAN**

**Uzbekistan: Organization of an agro-logistics center with
access to the ports of the Caspian Sea**

**CENTER FOR DEVELOPMENT OF
INVESTMENT PROJECTS**

Socio-economic factors of Uzbekistan (2019)



Total Area

448,978 km²



Population

33,5 mln.

(average age - 29)



Income growth rate

7,1%



Urbanization

~50%



In 2020, 69 position

In 2019, 76 position

In 2015, 141 position



GDP

50,5 billion USD

5,1% annual growth



Public debt

21,8% from GDP, "Moderate"
by World Bank rating



Dynamic export growth*

Export 13.7 billion US dollars (22%
increase by 2018)



Stable fiscal position

- 1,1% from GDP 2018

- 1% from GDP 2019

* (for 9 months in 2019)

About the project

Logistics is a new scientific and practical direction with high efficiency, which has been developed in the world and in Uzbekistan. Logistics is divided into many sectoral functional areas, among which one of the most promising is agrology, which provides for the application of logistic theory and practice to the field of agribusiness.

Over the year, 20 million tons of fruits and vegetables are grown in the republic. However, only 15 percent of this volume is processed at the industrial level, of which 7-8 percent are exported.

Further development of the food industry and increase in exports can be achieved through the rational use of existing opportunities and the expansion of deep processing of products.

For this, it is necessary, first of all, to increase the number of modern agrology centers covering the processes of collection, transportation, storage, processing, packaging and export of agricultural products.

Today, the country has 31 agrology centers and 1,500 refrigerated warehouses. The capacity of such warehouses allows storing only 4.5 percent of the total volume of fruits and vegetables grown.

«Organization of an agro-logistics center with access to the ports of the Caspian Sea»

Goal:

Currently, **65 percent** of fruits and vegetables, **93-95 percent** of meat and dairy products are harvested in dekhkan farms and household plots. However, the capacities of processing enterprises are **50-60 percent** loaded. Last year, only **19 percent** of fruits and vegetables and **16 percent** of meat and dairy products were industrially processed.

Due to the underdeveloped infrastructure, product loss during collection and storage reaches **30 percent**. For this, it is necessary, first of all, to increase the number of modern agrology centers covering the processes of collection, transportation, storage, processing, packaging and export of agricultural products.

Tasks:

The creation of an agro-logistics center will allow:

- ✿ to solve in the region issues on the development of export of agricultural and food products;
- ✿ create the basic infrastructure of agrology for foreign economic activity;
- ✿ ensure sorting, storage, packaging and timely delivery to the consumer of fruits and vegetables.

Effect:

- ✿ Creation of an agrological center for the storage, sorting and packaging of fruits and vegetables with a capacity of refrigerated warehouses by 50.0 thousand tons of vegetables and fruits, followed by an increase in the storage capacity to 75.0 thousand tons of vegetables and fruits and a corresponding increase in the productivity of processing machines.
- ✿ Given the geographic location of the project, an increase in the export of fruits and vegetables is expected.

Position:

According to estimates, our country's share in the world fruit and vegetable market, estimated at **\$ 205 billion**, does not reach even one percent.

At present, it is possible to increase the export of fruits and vegetables to **\$ 5 billion** over the next three years.

The project is expected to receive revenue from the export of fruits and vegetables **60.0 million** dollars per year.

S

High industry potential;
Developed functional level;
Availability of qualified logistics operators.

W

Lack of organizational level.
Lack of systemic integration of participants in the logistics process. Poor infrastructure.

O

The development of the economy by increasing domestic and transit mass of goods. Lower associated costs.
Creation of new jobs.


T

Technological backlog of domestic enterprises.
Decreased competitiveness of services.

Main indicators of Project

 **Cost of project**
102,6 million USD

 **Capacity**
50 thousand tons per year

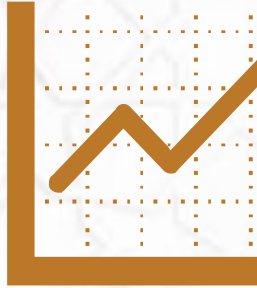
 **Machinery**
54 thousand USD

 **Equipment**
33,0 million USD

 **Construction and installation**
15 million USD

Aimed result (million USD)

	1 year	2 year	3 year	4 year
Revenue	36,0	39,0	42,0	45,0
EBITDA	22,8	23,9	24,9	26

 **IRR**
15,62 %

 **NPV**
49,5 million USD

 **Payback period**
4years