**Embassy of India**

**Tashkent**

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**Economic & Commercial Digest for the**

**week ending October 29, 2017.**

**BILATERAL**

**World Cotton Industry Forum in Uzbekistan:** The 76th Plenary Meeting of the International Cotton Advisory Committee and the 13th International Uzbek Cotton and Textile Fair were held in Tashkent from October 22-27, 2017. The current state and prospects of the world cotton market were discussed. Sessions were held on the issues of growing competitive industrial raw materials, its deep processing, trade, logistics and insurance.

 About 1500 specialists from more than 50 countries took part in the work of the meeting and the fair. Official delegation led by Mr. Anil Pratap Singh, Additional Commissioner, MOAFW participated in the 76th plenary meeting of ICAC. Delegates from private sectors like Bajaj Steel Industries etc. also participated in the meeting/ textile fair.

**Defence delegation from India**: A delegation comprising of 37 Officers of the Rank of Brig/Colonel equivalent from College of Defence Management, Secunderabad, visited Uzbekistan as part of a Study Tour (ISMT) from 23-27 Nov 17. This is the first visit of a Study Tour from any Military Institution in India and is the largest military delegation to visit Uzbekistan. During the visit, the delegation Interacted with military & civilian officials. The Uzbekistan Ministry of Defence organized visits to the Uzbekistan Armed Forces Academy, Institute for strategic and Regional Studies & The University of World Economy & Diplomacy. The delegation also visited Samarkand & Bukhara.

**Seminar on Paryatan Parv-** Tourism: Embassy of India organized a seminar on promotion of India on October 23, 2017 at Hotel Ramada, Tashkent. The main objective of the seminar was to provide a forum for tour operators, executives/ professionals from tourism industry, including those in the field of tourism, to discuss key issues. Mr. Baktiyor Rajabov, Section Director, Ministry of Tourism of Uzbekistan, Mr. Rustam, Havas Family Group participated in the seminar.

**Flights to Amritsar:** From 1 November 2017, Uzbekistan Airways will introduce additional two frequencies of regular flights on the route Tashkent-Amritsar-Tashkent.

**INTERNAL**

**Support for privatized enterprises: A** meeting under the chairmanship of the President Shavkat Mirziyoyev was held on the ongoing work of revising the state policy in the sphere of development of private property and entrepreneurship on the basis of privatized state property to a qualitatively new level, effective support for privatized business entities. The Strategy of actions on five priority areas of development of the Republic of Uzbekistan in 2017-2021 outlines the actual tasks on strengthening the guarantees of reliable protection of the rights and legitimate interests of private property and entrepreneurship entities, fully supporting the categories of the population who intend to establish their own business.

**Export of textile products :** Over $ 1 billion worth of deals for export of ready-made garments and semi-finished products were signed during the 13th International Uzbek Cotton and Textile Fair. In particular, the contracts were concluded with representatives of companies from Russia, Turkey, South Korea, Singapore, Moldova and other countries.

 **Innovation-2017 :** The forum was organized by the Interindustry Center for Strategic Innovations and Informatization in cooperation with Tashkent State Technical University, Navoi Mining and Metallurgical Combine and a number of other organizations. Scientists, researchers from Uzbekistan, Russia, Germany, Japan, Belarus, Kazakhstan, Kyrgyzstan, Norway, Ukraine, representatives of large industrial enterprises, entrepreneurs, and youth took part in it.

**New high yielding varieties of sunflower and soyabeans**: This year, a number of farms in the Ferghana region, “Osiyo” and “Yangi Zamon” grew sunflower varieties in the "Asaka oil plant seeds" scientific-seed farm . New fast-maturing soya "Madina" and "Rainbow" varieties, which are suitable for local climatic conditions, have been created.

**GDP growth**: The GDP of Uzbekistan grew by 5.3% in the first nine months of the year (in January-September 2016, growth was 7.8%). The volume of industrial production for these period increased by 5.6%  (+ 7.2%), construction works - by 5.3% (+ 15%), services - by 6.9% (+ 12.4%). The production of agricultural products grew by 3.5% (+ 6.4%). (Source: Uzbekistan’s State Statistics Committee)

**Inflation rate** in Uzbekistan made up 7.8% in January-September 2017- increased by 2.2 percentage points compared to the same period of 2016. (Source: Uzbekistan’s State Statistics Committee)

**Construction of the aboveground metro line:** Construction of the aboveground metro line has begun in Tashkent taking into account the needs of the population, as well as further development of the capital. 50,5 kilometers of this metro line, total length of which is 52,1 kilometers, will be laid on the ground using the overpass that is 6 meters in height. The project, designed for 2017-2021, will be implemented in five stages.

**Introduction of the concept of "smart farm":** Four agricultural weather stations were established in the Tashkent region on October 27 as part of a joint project of the Chamber of Commerce and Industry and the UNDP "Business Forum of Uzbekistan (Phase-III)." Each meteorological station is equipped with sensors that predict the amount of precipitation, air and soil temperature, air humidity, soil and leaf humidity, wind speed and direction, and others. They will cover 800 dekhkan farms and an area of more than 10 thousand hectares.

**EXTERNAL**

**Uzbekistan to export rail cars:** JSC Tashkent Railway Construction and Repair Plant (TRCRP), part of Uzbekistan Railways, has begun exporting its rail cars to Russia and Kazakhstan. These cars have a number of additional passengers conveniences, in particular, modern water and air purification equipment, lighting system, up-to-date heating and cooling systems, with particular focus put on passengers safety.

**“Green corridor” with Russia:** Uzbekistan and Russia are working on the project on creation of “green corridor” for textile products from Uzbekistan. Within the framework of this project, the parties will simplify the passage of customs procedures, as well as warehouse logistics.

**"Uzavtosanoat" and General Motors:** The "Uzavtosanoat" company and the American corporation “General Motors” announced transition to a new platform of cooperation - "Alliance GM Uzbekistan", which will provide "greater independence of the Uzbek automotive industry". Restructuring the relationship from cooperation in the format of a joint venture to the transition to the platform of the GM Uzbekistan Alliance will ensure greater independence of the national automobile industry of Uzbekistan.

**EBRD funds for US$51.18m to Uzbekistan:** Uzbekistan plans to attract funds from the European Bank for Reconstruction and Development (EBRD) for US$51.18 million in three projects. US$25 million will be used to support medium and small businesses and US$5 million to develop trade.

**Loan agreements with IFIs for US$945 million:** The Government of Uzbekistan signed four loan agreements for US$944.9 million with international financial institutions and donor countries in the third quarter of 2017. Total cost of projects is US$3.5 billion.ADB provided US$500 million for implementation of the “Program for construction of affordable houses on updated standard projects in rural areas in 2017-2021. The World Bank allocated US$150 million for the project “Development of the Livestock Sector in the Republic of Uzbekistan”.

**Agreements with Turkey for US$3.5bn:** Uzbekistan and Turkey signed agreements on implementation of more than 30 joint projects worth US$3.5 billion following a business forum of business circles of the two countries in Istanbul. The documents were signed for construction of large energy facilities and road infrastructure, production of textiles, electrical equipment, building materials, the organization of modern productions in food and agro-industries, logistics centers.

**NBU and Türk Eximbank:** Türk Eximbank will provide the National Bank of Uzbekistan a loan for US$44 million, which will be used to finance investment projects and trade transactions, which envisage purchase of goods and services from Turkey.

**Uzbekistan and Turkey intend to increase mutual trade to US$3-4 billion a year. T**he trade turnover between Uzbekistan and Turkey made up US$1.2 billion in 2016.

**Flights to Istanbul**: From 16 November 2017, Uzbekistan Airways introduces the second frequency of scheduled flights to Samarkand-Istanbul-Samarkand.

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