

# Investment Promotion Programs

- Over the years of independence Uzbekistan has created a favorable investment climate, an extensive legal safeguards and preferences system for foreign investors, including a cohesive system of measures to support performance of enterprises with foreign investment.
- The investment-related laws and regulations of Uzbekistan are the cutting-edge across the regulatory framework of CIS member states, by having absorbed main provisions of the international investment law, particularly those concerning guarantees of foreign investors' rights, granting specific preferences for the investors, etc.

# Investment Promotion Programs

- To date, Uzbekistan is implementing the policy of a full-scale upgrading and construction of generating capacity, HVDC systems and electric power substations to enhance sustainability and resilience of its energy system, with the main scope determined by the President of Uzbekistan in his Decree No UP-4707 dated 04.03.2015 «Concerning the program of measures to ensure structural reforms, modernization and diversification of production in 2015-2019» and Investment programs, according to which more than 33 investment projects totaling to above \$US 8.9 bln will be implemented by 2020.

# Investment Promotion Programs

- **No PP-2458 «Concerning investment program of Uzbekistan for 2016»**
- 23 large investment projects are underway to build new, upgrade and refurbish operational facilities. This year 5 plants will be commissioned.
- In the first half of 2016, capital investment amounting to \$US 207,96 mln or 115,4% against projections were used from different funding sources, including additional facilities.
- Own funds totaling to \$US 67,3 mln (148,9 %); \$US 140,1 mln of foreign investment under the sovereign guarantee (104,1%); \$US 0,51 mln of lending resources from the Reconstruction and Development Fund (100,1%); and \$US 0,12 mln of foreign direct investment (100%) were disbursed

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- **Resolution by the President of Uzbekistan (No PP-2158 dated 03.04.2014) «Concerning measures for further penetration of information and communication technology in the real sector of economy»**
- The implementation of the priority project «Introduction of integrated information system in enterprises of Uzbekenergo JSC, including control and accounting of electric power consumption, automation of financial accounting, operation and production process management» is in progress.
- The project is implemented in several streams, including:
  - - functional processes – to design and introduce an information management system of Uzbekenergo JSC;
  - - production processes – to design and introduce a malfunction control system in Service Desk and software “Corporate accounting for enterprise management”; extend Intranet, create a unified data center (UDC, Intranet, LAN);

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- **«Comprehensive measures to extend usage of renewables across the industries in 2016-2019» (Approved by the Cabinet on 09.03.2016 No 06/1-278)**  
Provisions are made for implementation of 7 projects in electric power industry.
- **In the area of solar energy:**
- - «Construction of 100 MW solar photovoltaic station in Samarkand region (2016-2017)» - It is implemented under the investment project (the bidding and general contractor selection ongoing, the tender proposals evaluated).
- - «Usage of suntraps for heating and hot water supply in industrial and domestic premises of PTES JSC (2016-2019)
- **In the area of biogas energy:**
- - «Construction of biogas facility in livestock breeding complex of Tashkent CHP JSC (2016-2017) - the commencement of works is scheduled in Q4 this year. The Pre-design stage underway.

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- **In the area of wind power:**
- - «Design and survey works to study the wind potential of the country (2016) – it is implemented under the agreement signed between the Unitary Enterprise Talimarjan CHP and Intec Gopa (Germany) in association with GEO-NET. The wind potential study is completed in the Republic of Qaraqalpaqstan and Navoi region, followed by a presentation and report «Evaluation of the wind potential development in Uzbekistan – mesoscale simulation and assessment of sites.
- The Project «Manufacturing of solar panels by Kuyosh Isskiklik Energyasi JV LLC» will be implemented in 2015-2019 to launch manufacturing of equipment and component parts for renewable sources of energy. The manufacture of suntraps is launched, with the supply agreement signed this year.

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- **Resolution by the Cabinet (No 298 dated 19.10.2015) «Concerning approval of the National Quality Infrastructure Development Program until 2020»**
- Uzbekenergo JSC has scheduled procurement of high voltage testing station for quality control in goods manufacturing (in 2017)
- Development and approval of the national standard, followed by its harmonization with international requirements – Autonomous Photoelectric Systems. Functional test (implementation in 2016).

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- **Decree by the President of Uzbekistan (No UP-4720 dated 24.04.2015) «Concerning measures for introducing modern corporate governance techniques in joint stock companies»**
- The Articles of Association of Uzbekenergo JSC and 40 joint stock companies in its organizational structure were amended so that to:
- appoint a CEO for any joint stock company based on selection, with the foreign managers entitled to participate;
- increase a JSC's registered fund by additional share issue.
- The external audits schedule for 2015-2018 has been approved and notified to all joint stock companies within the framework of Uzbekenergo JSC. The financial statements will be audited in accordance with MCA and annually published under the IFRS standards.



# Investment Promotion Programs

- **Resolution by the President of Uzbekistan (No PP-2343 dated 05.05.2015) «Concerning 2015-2019 program of measures to reduce energy-intensity, implement energy-saving technology in economic sectors and social area».**
- To this end, the Energy Efficiency and Renewables Development Office has been established under the Uzbekenergo JSC. The Fuel and Energy Resources Saving Commission was reorganized into the Energy-Efficiency and Renewables Development Commission, with relevant experts in its composition.
- The 2015-2019 Roadmap enhancing energy-efficiency, and introducing energy-saving technology and systems throughout facilities and divisions of Uzbekenergo JSC, including the Plan of practical measures for Uzbekenergo JSC to ensure timely implementation of the Roadmap are underway.

# Key challenges

- 18 July 2012, the President of Uzbekistan issued his Decree “On measures concerning further drastic improvement of business environment and granting more freedom to entrepreneurship».
- The document is aimed to fundamentally change the business climate, create more favorable conditions for entrepreneurial activities, reduce, simplify and make more transparent all procedures related to businesses, introduce generally accepted Doing Business evaluation criteria, followed by overall improvement of seats in Business and Investment Climate international rankings.

# Key challenges

- The investment-related laws and regulations of Uzbekistan are the cutting-edge across the regulatory framework of CIS member states, by having absorbed main provisions of the international investment law, particularly those concerning guarantees of foreign investors' rights, granting specific preferences for the investors, etc.
- Uzbekistan does not have any restraints concerning investment formats. Any foreign investor may establish its enterprise in the country in the legally allowed form.

# Priority Projects

## Future Projects in Energy Sector

- List of electric power generation projects

	Projects	Brief Description
1.	Expansion of Mubarek TPP JSC	Expansion of electric power station of Mubarej TPP JSC by constructing 140 MW gas turbine in Kashkadarya region
2.	Solar PV station in Sherabad district	Construction of 100 MW solar photovoltaic station in Sherabad district of Surhandarya region
3.	Commissioning of next scheduled CCGT of Navoi CHP	Commissioning of 3 <sup>rd</sup> CCGT in the territory of Navoi CHP
4.	Unitary Enterprise Tashkent HPP Cascade	Construction of new 28 MW HPP-1
5.	Solar PV station in Kashkadarya region	Construction of 100 MW solar photovoltaic station in Kashkadarya region



# Priority Projects

## Future Projects in Energy Sector

a	Projects	Brief Description
6.	Solar PV Station in Surhandarya region	Construction of 220 MW solar photovoltaic station in Surhandarya region
7.	Solar PV Station in Navoi region	Construction of 2x50 MW solar photovoltaic stations in Navoi region
8.	Windfarm in Bukhara region	50 MW windfarm in Bukhara region
9.	CCGT plant construction in Syrdarya region	Construction of two 450 MW CCGT plants in Syrdarya region
10.	Expansion of Talimarjan CHP	Expansion of capacity of Talimarjan CHP, by commissioning two next scheduled 450 MW CHPs
11.	Expansion of Turakurgan CHP	Expansion of capacity of Turakurgan CHP, by commissioning two next scheduled 450 MW CHPs

**THANK YOU FOR YOUR ATTENTION!**

