



Review of transport and communications potential of the Republic of Uzbekistan



Presented by His Excellency Mr
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Introduction

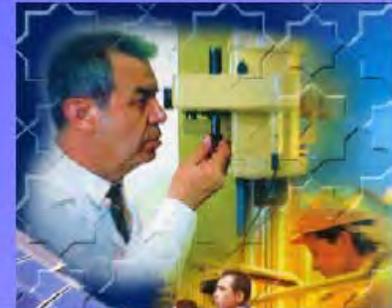
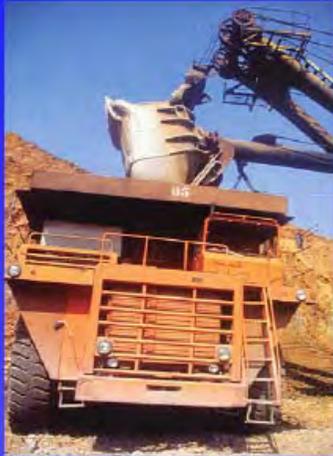
Since gaining independence in 1991, Uzbekistan, through the implementation of a package of fundamental measures, has ensured consistent economic growth.

Uzbekistan is the leading industrial centre within the Central Asia region with the most developed transport infrastructure network in the region.

Pursuing an active investment and modernisation policy, Uzbekistan has established new high-tech industries Automobile industry – gas chemistry-engineering – oil and gas – railway engineering – pharmaceuticals - and others.

Despite the global financial and economic crisis, for the last 3 years GDP growth was above 8%. This has been achieved through rapid development of transport and communications and diversification of international transport corridors.

Industry of Uzbekistan



International Transport Corridors

The main directions of the Uzbekistan's transport policy are:

- integration into international transport communications;
- development of effective international foreign trade and transit goods transportation routes; and
- modernisation of the transport sector and increase of transit capacity.

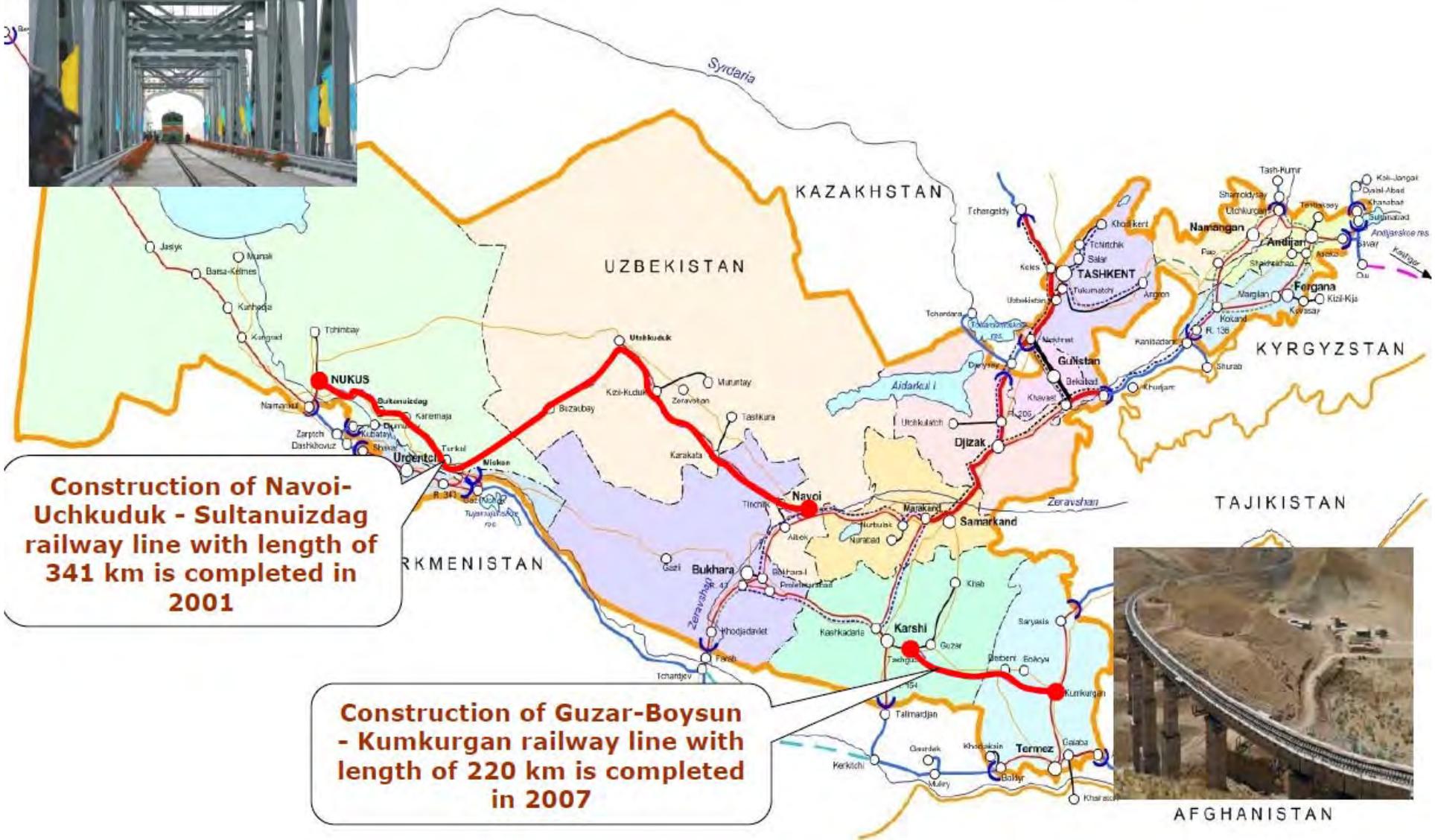
Our major international transport corridors are directed to:

- Ports of the Baltic States;
- Ukrainian ports with access to the Black Sea;
- Georgian ports along the TRACECA Corridor;
- Russian Far Eastern ports;
- Iranian ports with access to the Gulf;
- Belarus and Ukraine towards European countries; and
- China.

Development of Railways

In recent years projects have been gradually implemented in construction of new railways with length of almost 350 miles (Navoi-Uchkuduk-Nukus (212 miles) and Toshguzar-Baysun-Kumkurgan (137 miles)). More than 373 miles of railway lines were reconstructed 12 freight locomotives and 15 passenger locomotives were purchased and railway line from Tukimachi to Angren (89 miles) was electrified.

Construction of new railway lines



AFGHANISTAN

Development of Railways (cont.)

In recent years a programme of new railway line construction and existing line and rolling stock upgrades has been implemented.

This includes:

- 350 miles of new railway lines
- 150 miles of existing line upgrades
- Purchase of 12 freight locomotives and 15 passenger trains

In 2013 it is envisaged that approximately 288 million USD will be invested in the development and modernisation of the railways. This will include the construction of 116 miles double-track electrified railway line Jizzak-Yangiyer (Phase 1).

Other projects include the Electrification of the Karshi-Termez and Marokand-Karshi railway lines.

Development of Railways (cont.)

In 2011 Spanish high-speed passenger trains Talgo-250 were commissioned between the major cities of Uzbekistan, with speed in some areas up to 155 m/h.

In addition, Uzbekistan plans to build by 2016 a new electrified railway line, Angren-Pap. Uzbekistan Railways estimates the cost of the construction, which will connect the Ferghana Valley with the rest of Uzbekistan through Kamchik Pass, at 1.9 billion USD. The development of a final version of a feasibility study of the project is to be completed by the end of 2013, and in early 2014 the construction will begin. The project involves construction of two tunnels.



Trans Afghan Corridor

Particular attention is paid to the development of cross-border railway infrastructures. The launching of a new railway line Tashguzar-Baysu-Kumkurgan, has provided a direct rail link with access to Afghanistan. The first railway in Afghanistan, Hayraton-Mazur-i-Sharif, the length of which is 47 miles, was built and put into operation in November 2010, representing key importance for the whole region. This project was implemented by Uzbekistan Railways.

New railway Hayraton – Mazar-e-sharif

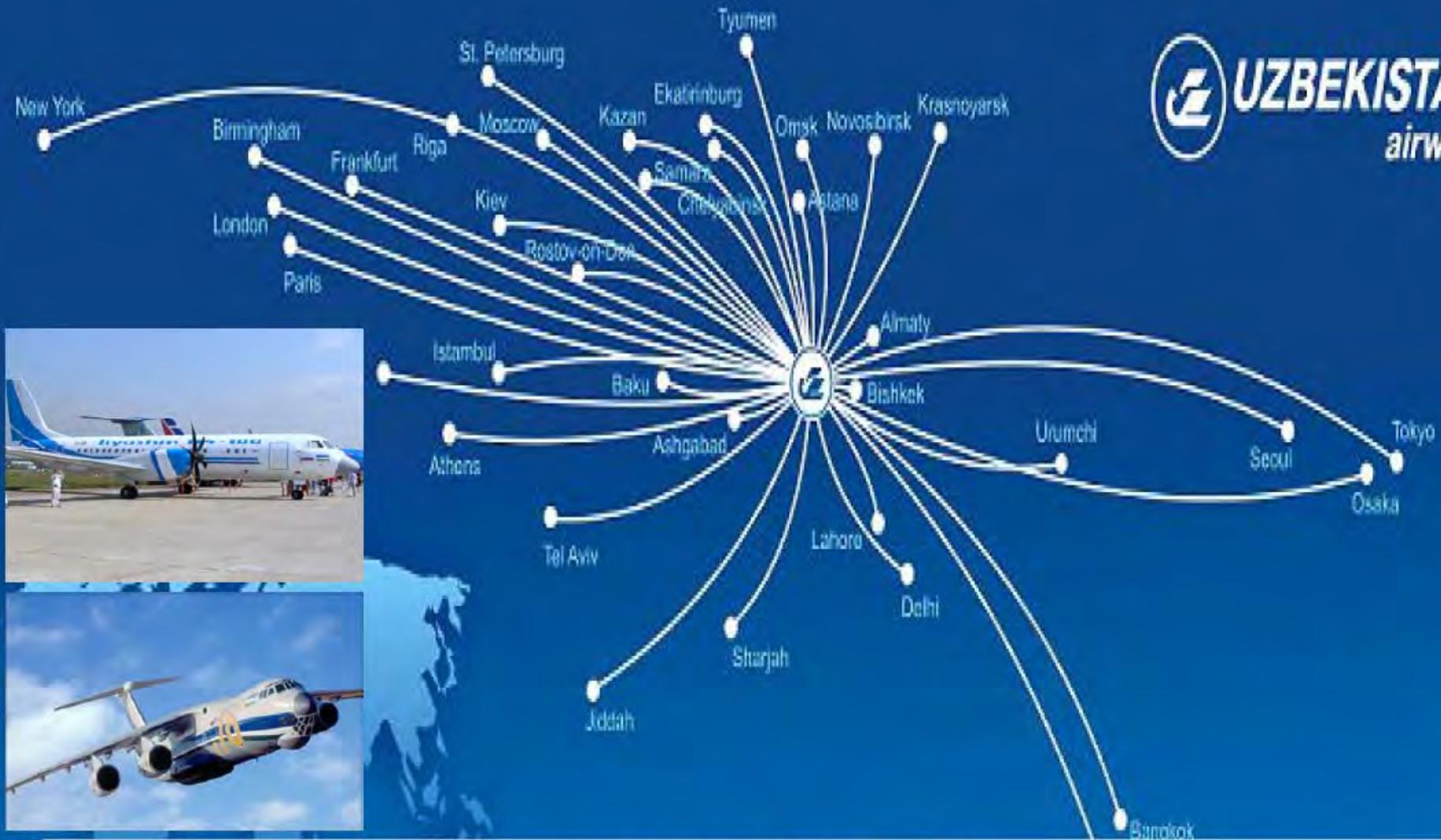


Aviation Developments

Uzbekistan Airways is the National Airline of Uzbekistan.

International flight destinations include:

Almaty, Beijing, Delhi, Dubai, Istanbul, London, Madrid, Moscow, New York and Paris.



Annual growth of the number of foreign aircraft transiting via Uzbekistan 12%

**The company offers flights to more than 40 international destinations
In 2010 were served more than 2 mln. passengers, performed service for 23 000 flights and technical maintenance for 5 770 aircrafts.**

Flying fleet of Uzbekistan Airways

- Nowadays flying stock of Uzbekistan Airways consist of 16 modern planes (Boeing Dreamliner, Airbus, RJ)
- In particular, until 2015 planned to purchase 16 new medium-and long-haul passenger aircrafts, including "Boeing" (6 units) and "Airbus" (10 units), and nowadays have been delivered 10 "Airbus"



Development of Motor Roads

It is intended to construct and reconstruct road infrastructure and services along the national highway and rail routes, creating conditions that would meet international standards for motor road and rail route users.

In 2012 the construction of more than 500 km of modern four-lane highways was completed. The UZAVTOYUL State Joint-Stock Company estimates that by 2015, 1500 km of roads, part of the Uzbek National Highway, will be built or transferred to four-lane highways in Uzbekistan.

Uzbekistan annually paves and reconstructs an average of 225,500 km miles of road.

Motorways

Total length of motorways is 183 thousand km.

42.5 th.km. - highways

3.2 th.km. - International highways

18.8 th.km. - State motorways



Automobile transport

Share of automobile transport in foreign trade freight transportations is around 10% as well as 88% in domestic passenger and freight transportations.

Growth rates of automobile services volume account to 20% annually.

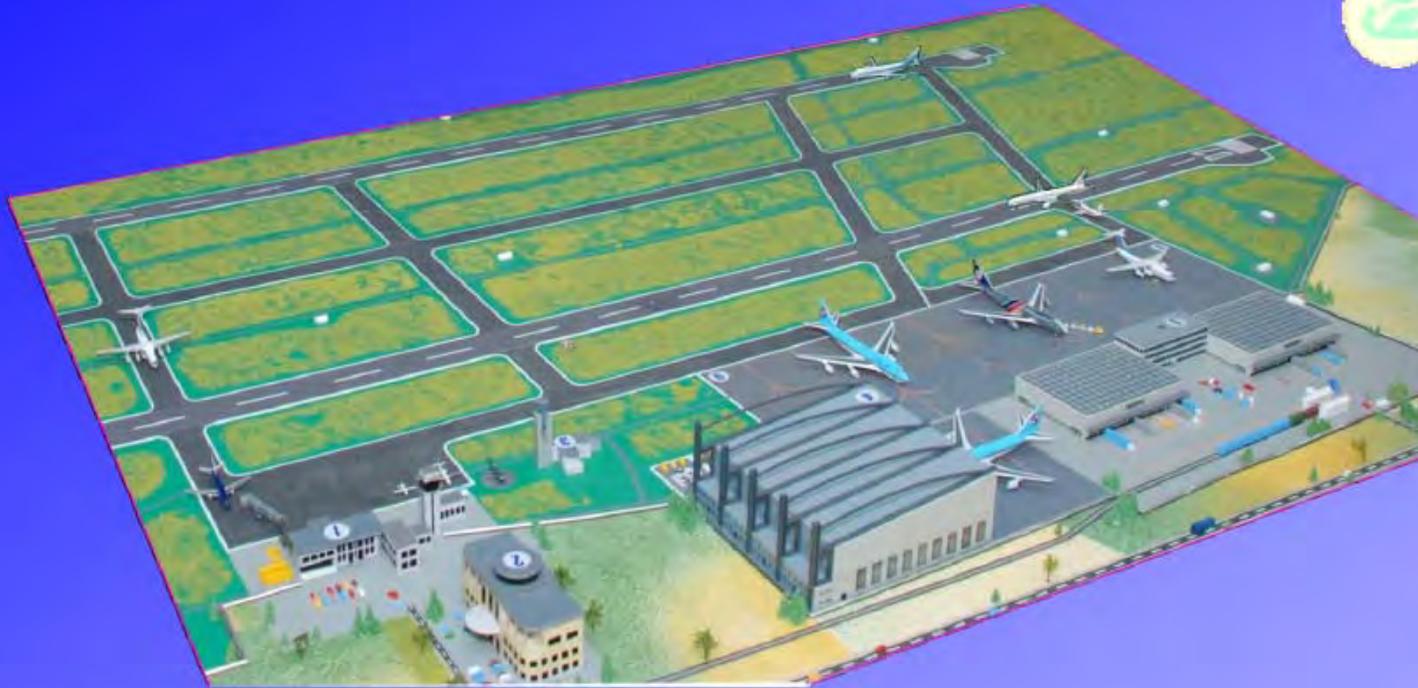
In accordance with the development program until 2015., freight vehicle fleet of the Republic of Uzbekistan will be renewed by trucks produced in Uzbekistan by JV «MAN».



Development of Navoi Airport

A project to create at the Navoi Airport a large hub with an International Intermodal Logistics Centre (IILC) has been realised. More than 50 thousand tons of cargo were handled and transported as well as regular flights to 20 destinations (including Bangkok, Bombay, Brussels, Dhaka, Delhi, Dubai, Seoul, Istanbul, Milan, Frankfurt and Shanghai) were carried out in 2011 at the Navoi Centre.

Navoi International Airport



“Navoi” International Logistics Center



1st stage – Cargo processing ability – 300 tons/day
2nd stage – Cargo processing ability – 1000 tons/day

Economic Zone

A significant benefit arising from the IILC location at the international airport of Navoi is its closeness to the Navoi Free Industrial and Economic Zone (FIEZ) where today, there is production of goods of high technology, electronics, pharmaceuticals etc. and, with high added value, a significant amount of which is re-allocated to the respective modes of transportation, including through the Navoi International Intermodal Logistics Centre.

NAVOI FREE INDUSTRIAL ECONOMIC ZONE

Territory - 564 ha

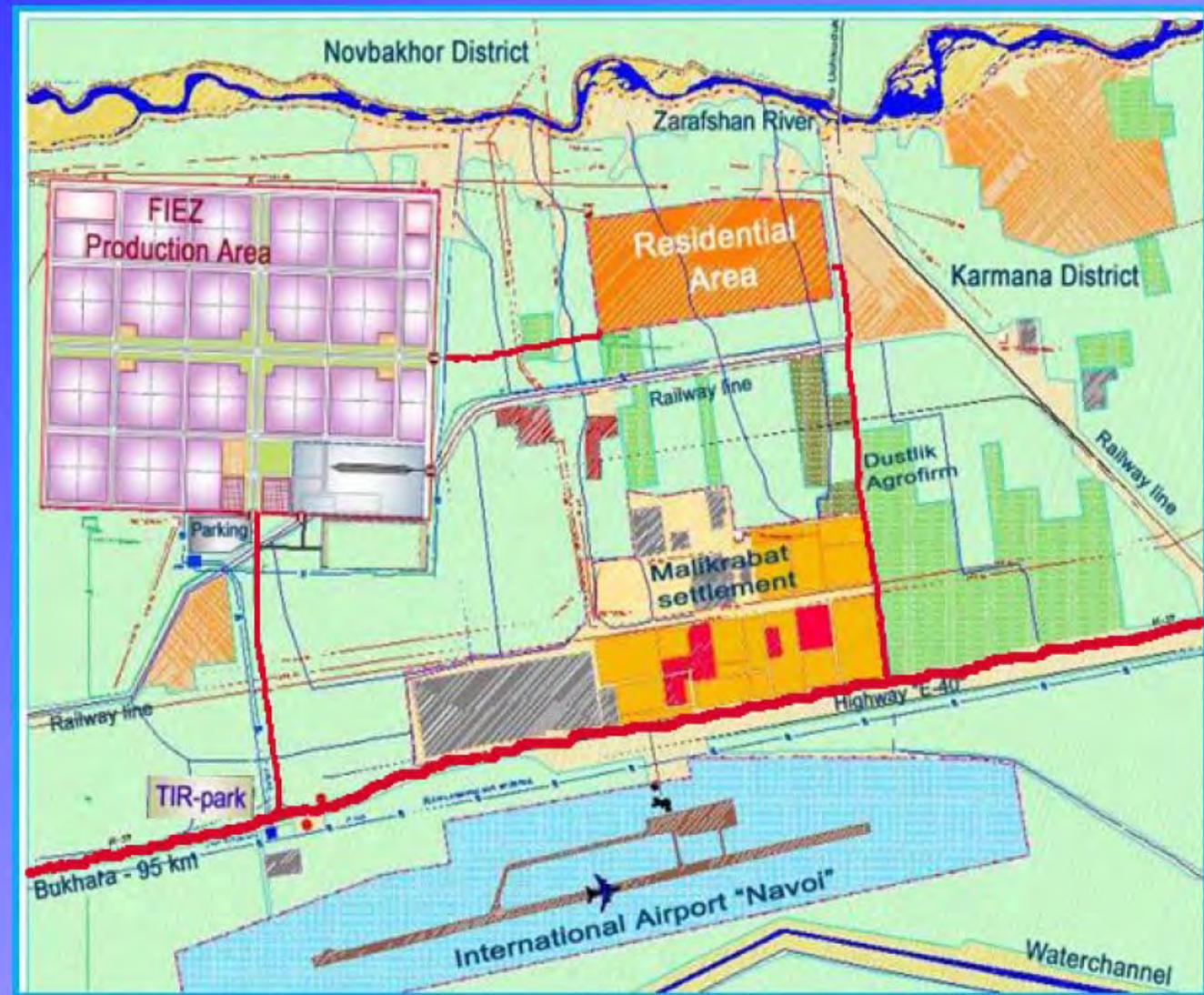
Production area for
production
accommodate - 350 ha

Destination to:
Airport – 1 km

KAL Complex – 2 km

Samarkand – 120 km

Bukhara – 95 km



NAVOI FREE INDUSTRIAL ECONOMIC ZONE



NAVOI FREE INDUSTRIAL ECONOMIC ZONE



Electronic & electro technical products



Precision machinery & OEM parts for automobiles



Pharmaceutical industry & Medical products



Plastic goods and polymers



Food processing and packaging

IILC Angren and Jizzak

In Angren, another international logistics centre has been established and put into operation. It provides a guaranteed year-round transportation link between regions of the country and the regions of the Ferghana Valley.

Since the beginning of 2013, there has also been a process of establishing a free economic zone in Angren.



ILC "Tashkent"



ILC "Angren"

Handled over 4 mln. tn. cargos (cars spare parts produced by GM Uzbekistan, oil products, chemicals products and etc.)



Ashgabat Agreement

In order to promote international trade, a large-scale cooperation between the regions on the initiative of Uzbekistan by an intergovernmental agreement on establishment of a new transport corridor (“Central Asia – Persian Gulf”) was signed in April 2011 in Ashgabat. This will create a reliable communication system for passengers, and goods transportation between the countries of Central Asia and the Gulf’s ports.

Transport & communication corridor «Central Asian states – Persian Gulf states»



Further Development of the Transport Sector

Uzbekistan has implemented a number of projects aimed at further development of their transport and communication infrastructure and increase of its transit capacity.

For further development of railways until 2015, the country is scheduled to implement in phases the construction of new railway stations (93 miles), modernisation and rehabilitation of existing roads (640 miles), electrification of railway lines (444 miles), renewal of rolling stock fleet, including purchase of locomotives (28 pcs) and construction of passenger cars (115 pcs).

Development of Transport Communications

Prior to 2015, implementation of projects worth \$ 8.5 bln including road sector 3.54 bln, railway 2.146 bln air transport 1 bln and 1,8 bln in telecommunications, engineering and communication sector is envisaged.



Uzbek national highway



Thank you for your attention!