

The Place & Role of International Financial Institutions, Foreign Government Financial Organizations and Foreign Investments in Development of Agriculture and Agro-Industrial Complex

Shavkat Tulyaganov
**Deputy Minister of Foreign Economic Relations,
Investments and Trade of the Republic of Uzbekistan**

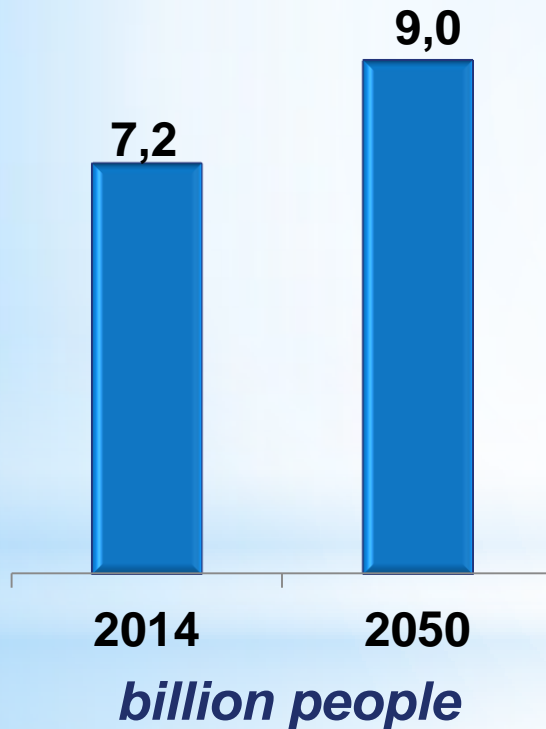
Indicators of hunger and malnutrition worldwide

- Annually **3,0 million** children & **842,0 million** people dies from starvation
- About **26%** of children lag behind growth
- Over 2,0 billion people have problem with nutritious microcells deficiency
- Productivity losses and direct costs on health care makes **5%** of global GDP (**3,5 trillion USD** or **500,0 USD** per capita)



Growth Forecasts

Population growth



- Increase volume of agricultural production, which in turn will requires:
 - investments
 - creation of corresponding infrastructure of transportation
 - development of refinery capacities and scientific and selection works

Annual losses of fruit & vegetable production

- Annual losses of fruit & vegetable losses increases **500,0 million tons**, which is **35%** of the world production at following stages:
 - production phase & cleaning
 - storage
 - sorting, processing & packing
 - logistics & distribution



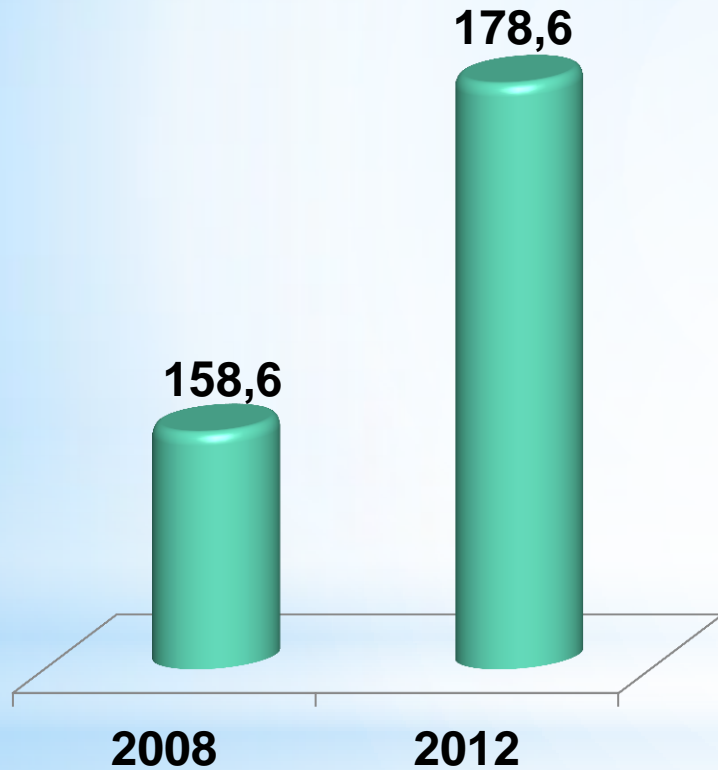
FAO: required investments in developing countries

- ❑ **1.3 trillion USD** – ensuring mechanization in agriculture
- ❑ **797.0 billion USD** – creation of warehouses
- ❑ **2.23 trillion USD** – establishment of capacities for agricultural products processing
- ❑ and also melioration requires vast investment

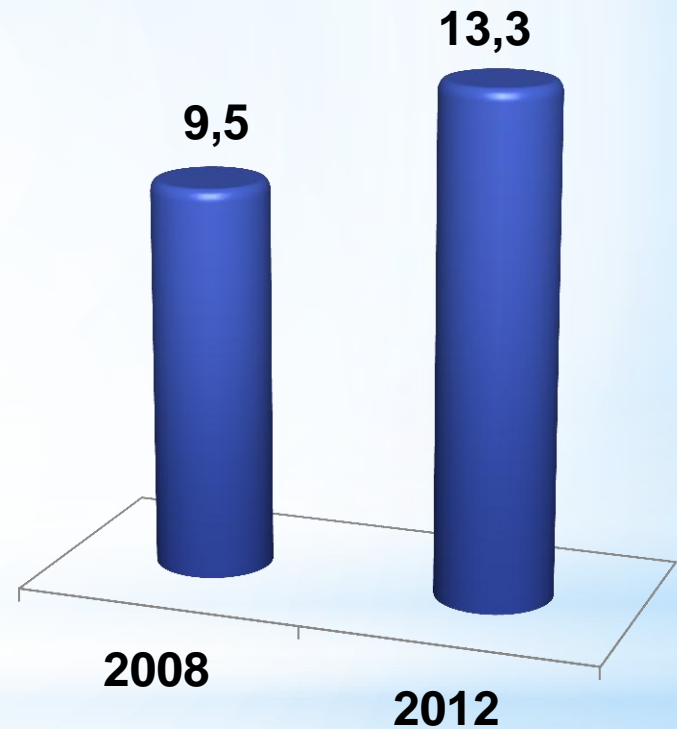


Investments by International Financial Institutions & Donor Countries

in billion USD



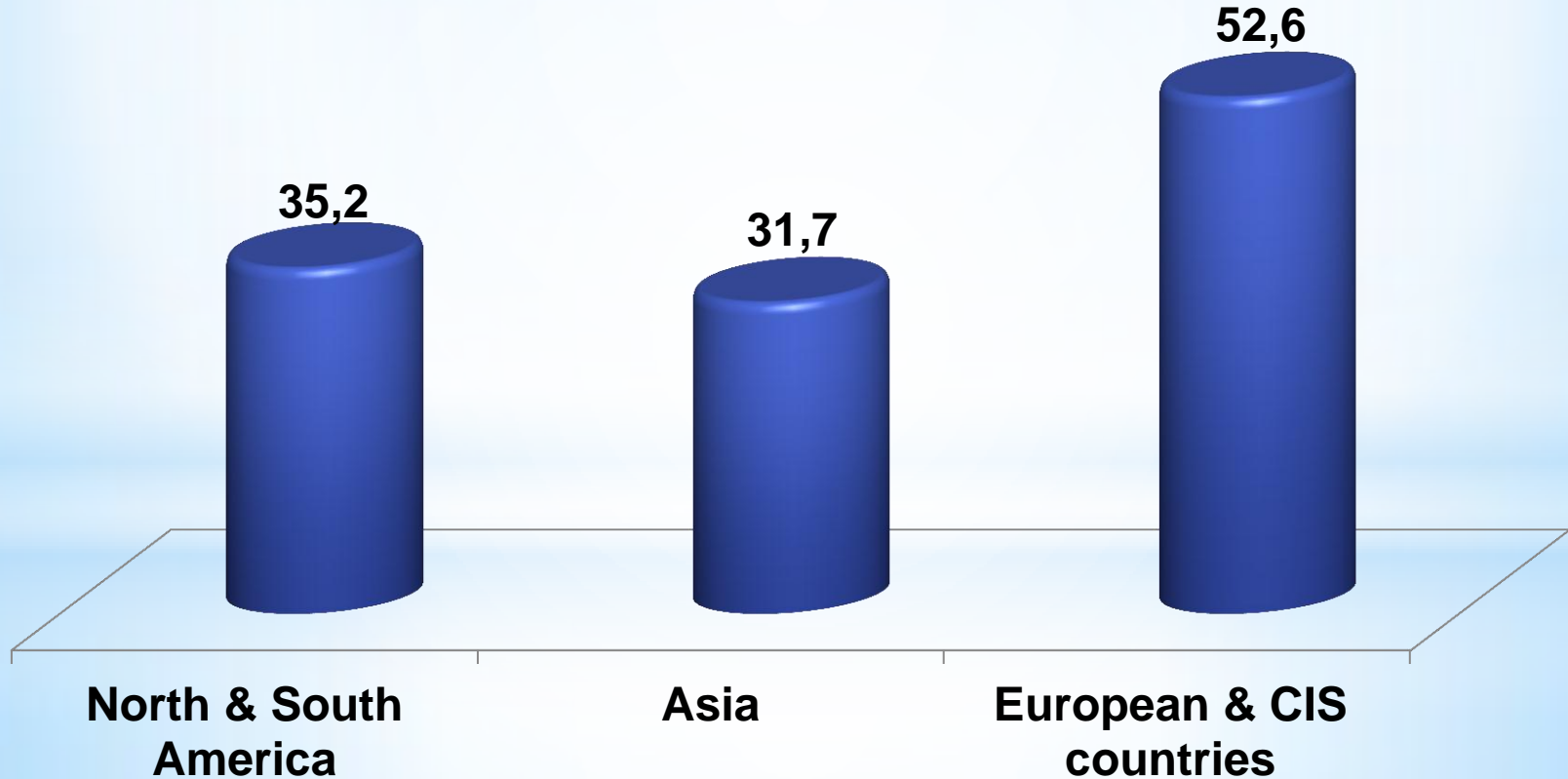
Total volume of assistances by International Financial Institutions & Donor Countries



In particular, investments in agricultural sector and food security

FDI in development of agricultural sector in the world

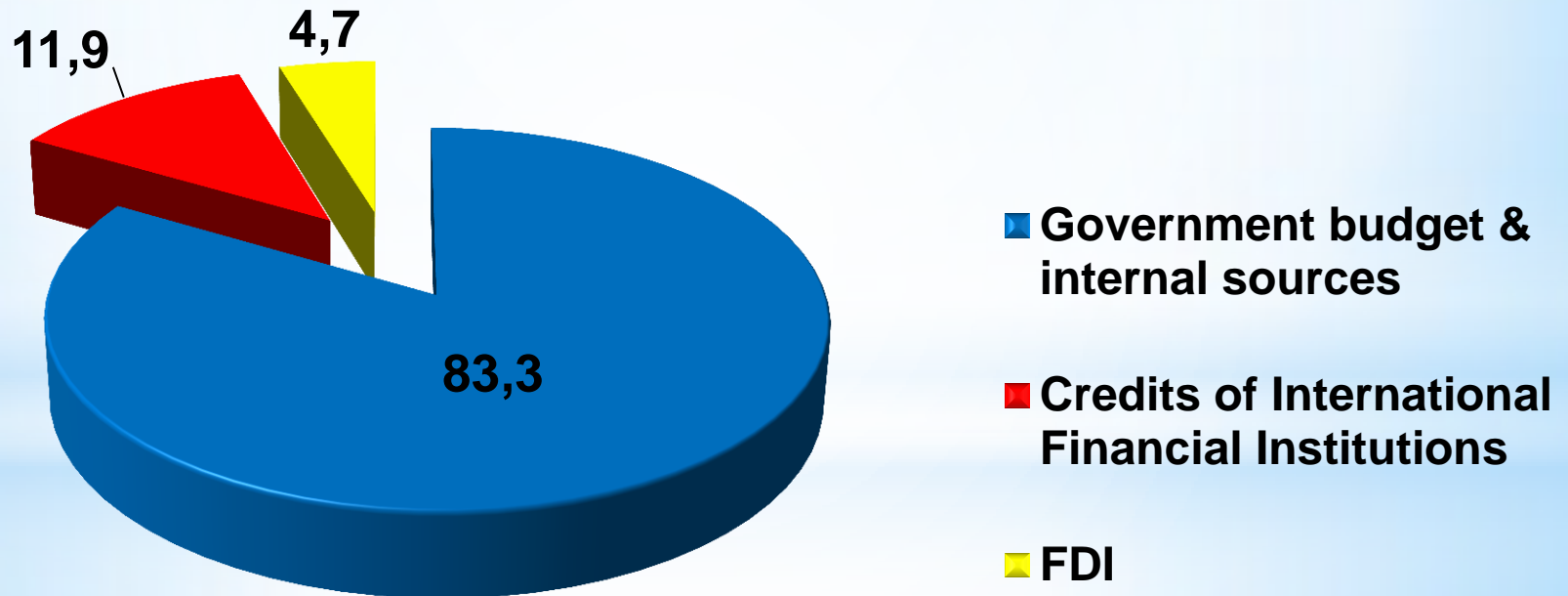
FDI for development of agricultural sector in last
10 years



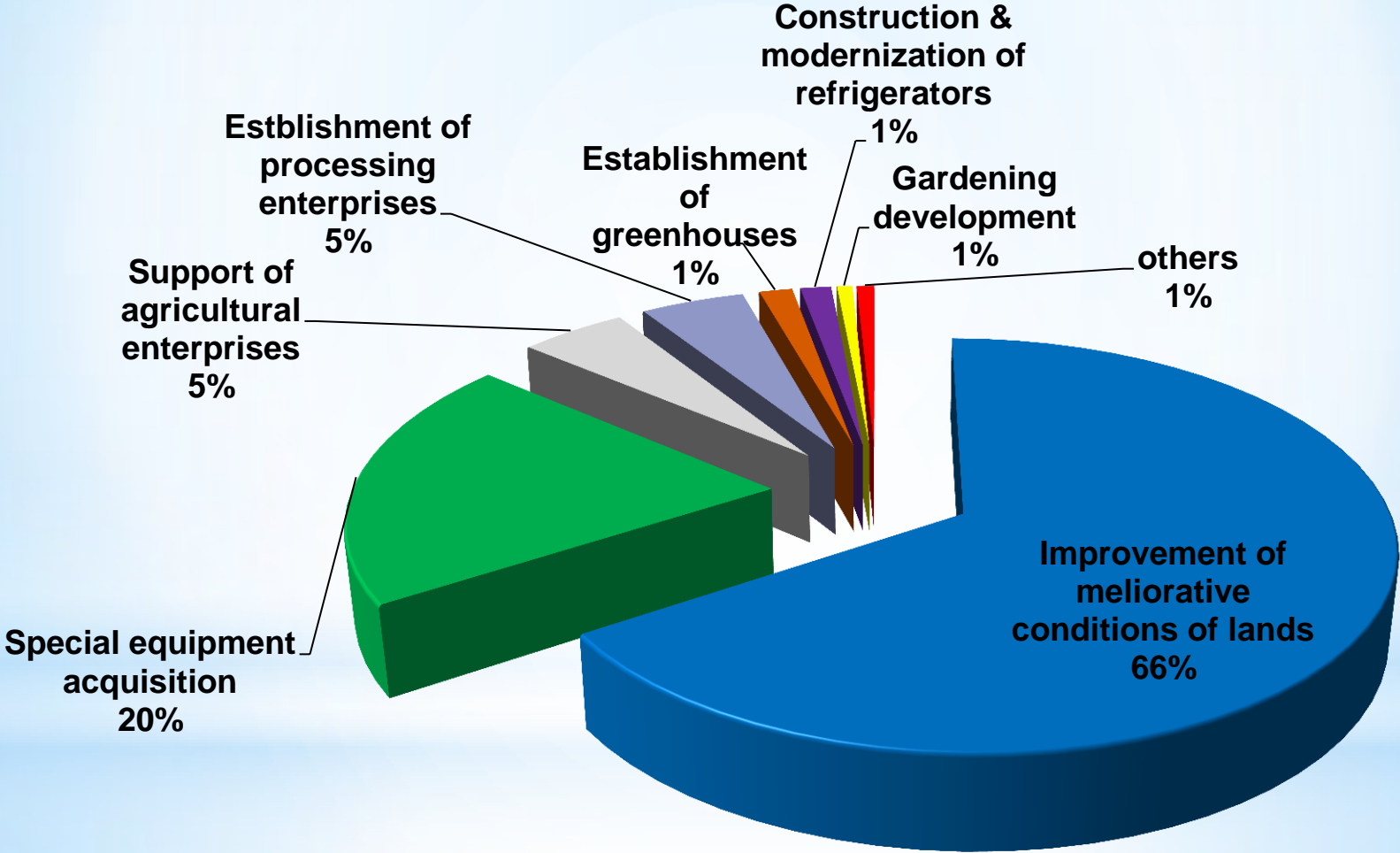
in billion USD

Investments into agricultural sector in Uzbekistan

- Investments for agricultural sector in 2009-2013 – 2.34 billion USD



Purposes of attraction of investments



Enterprises with Foreign Investment

- There are **352 enterprises** in food industry in Uzbekistan:
 - more than **100** of them process fruits, vegetables & grapes;
 - These companies have been established in participation of FDI of companies from USA, Germany, Switzerland, Sweden, Netherlands, South Korea and others
 - Popular brands in the market are:

INTELLIGENCE FOR THE GLOBAL DRINKS BUSINESS
BEVERAGEWORLD



Food producing enterprises with foreign investments

- JV «Nestle Uzbekistan» - production of food products for children;



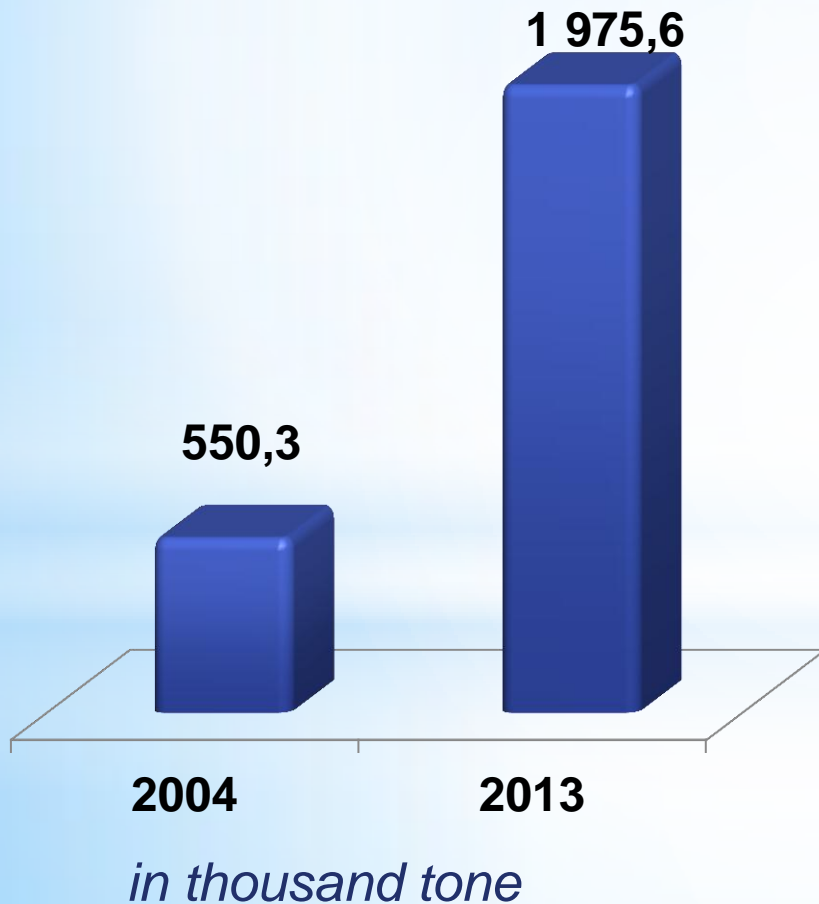
- JV «Agromir Samarkand» - production of natural juices and marinated vegetables

- JV «Lazzat Karamel» - production of wide range of confectionery



Processing of fruit & vegetable

Fruit and vegetable procession



- For the last decade fruit & vegetable procession has increased **2.5 times** for up to **16,3%**



Foreign investments in agricultural machinery sector in Uzbekistan

- Uzbekistan is the only producer of agricultural machinery in the region, where following worldwide leading companies operate:



«CLAAS Central Asia Investment GmbH»



«LEMKEN GmbH & Co. KG»



«Case New Holland»

- **Types of producing products** - combine harvesters, tractors, trailers, press balers, sprayers, plows, rotary mowers, cultivators and others.



Perspective plans in agriculture sector

- It is planned by 2016 creation of:
 - 1,9 hectares of new gardens & vineyards;
 - 412,0 hectares of modern greenhouses;
 - These projects requires investments over 600,0 million USD
- Construction & modernization of refrigerators:
 - 400 thousand tone capacity – by 2016
 - 1,0 million tone capacity – by 2020
 - 5,0 million tone capacity – by 2030
 - This project requires following amount of investments:
 - 110,0 million USD – by 2016
 - 710,0 million USD – by 2020
 - 4,7 billion USD – by 2030

Transportation and logistic system development plans

- To satisfy demands for fresh fruit & vegetables for:
 - export – 1,0 million tone
 - domestic market – 400,0 thousand tone
- It is planned purchasing by 2016:
 - 808 automobile refrigerators
 - 808 trucks

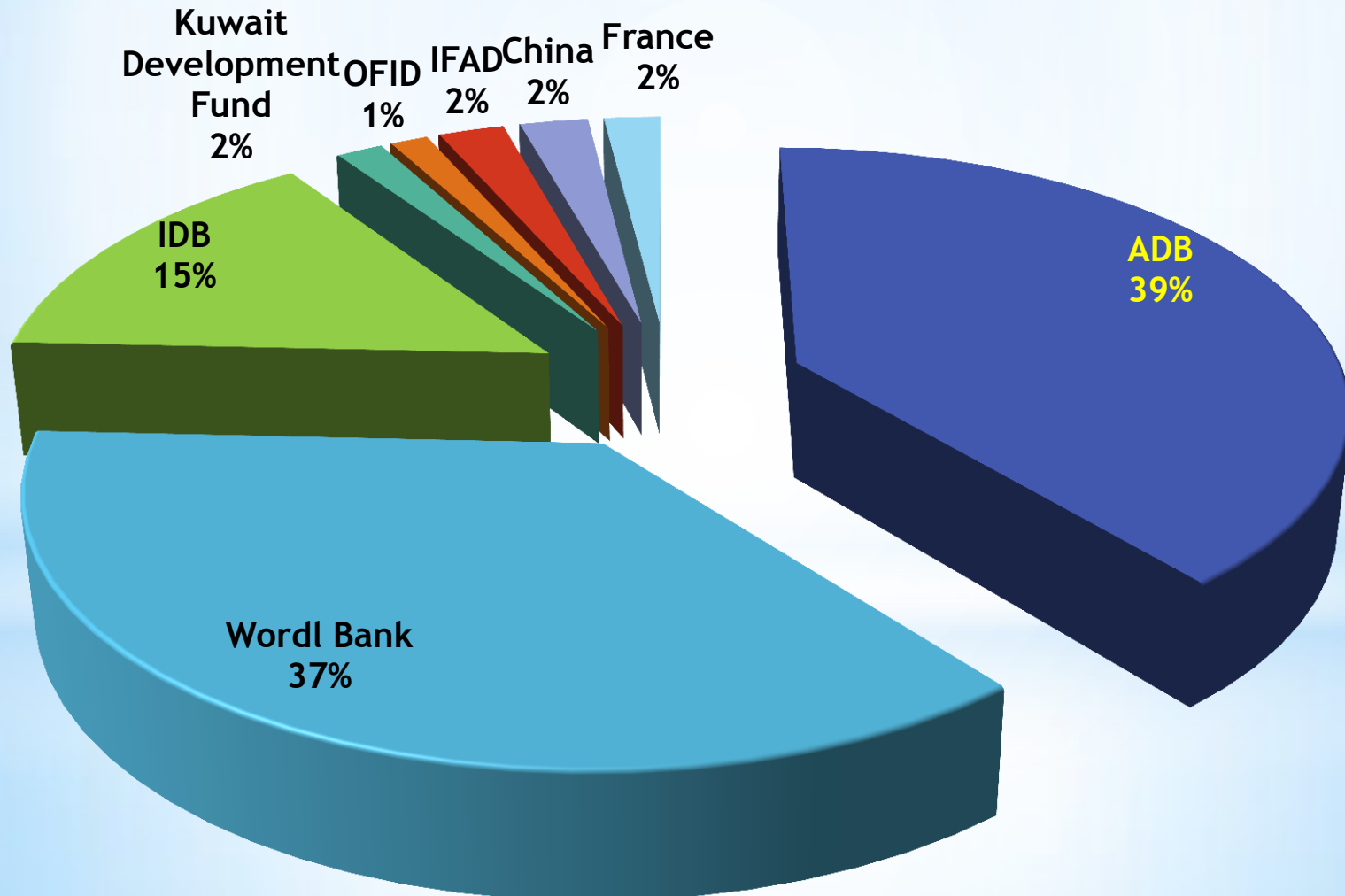


Investment projects for processing vegetable and fruit

- **265** investment projects on processing fruit and vegetable will be implemented by 2016.
- Amount of investment – **145,6 million USD**;
- Increase of fruit, vegetable and grape processing facilities to **2,2 million tons** per year

Foreign investments in agriculture sector

In 2014 under State Investment Program **15 projects** in agriculture sector for **969,4 million USD** are implementing with attraction of soft loans of International Financial Institutions and Donor states.



Perspectives of cooperation

- **Agricultural products procession;**
- **Creation of intensive orchards and modern greenhouses;**
- **Introduction modern storages for agricultural products;**
- **Food products production.**



Thank you for attention!

www.mfer.uz