

Uzbekistan - People's Republic of China: Cooperative Projects

Following the President's visit to the People's Republic of China in April 2019 and the second Belt and Road Forum, numerous bilateral agreements, memorandums and direct contracts have been signed that have resulted in the adoption of Implementation Plans (IP) for the agreements reached¹. The IP reveals the information concerning the upcoming projects in such sectors as transport & logistics, telecommunications & IT, light industry, agriculture represented in a tabular form and attached to the Resolution.

This is with great pleasure that Kosta Legal hereby represents for your kind review the brief summary of the recently promulgated IP by putting together projects of particular interest. For your convenience we have prepared the tables below – Table 1 provides for the list of projects whereby potential investors / partners are determined, and Table 2 provides for the list of projects whereby the position of potential investors / partners is vacant. (*Please find the corresponding tables below*)

It is expected that the first projects will be put into operation in January 2021. The «ljro.gov.uz» system shall be launched soon in order to allow motoring of the projects implementation.

¹ Resolution of the Cabinet of Ministers No. 805 of September 24, 2019; Annex 9 to the Resolution of the Cabinet of Ministers No. 794 of September 21, 2019

Table 1. POTENTIAL PROJECTS WITH PARTICIPATION OF CHINESE COMPANIES

No	lo Potential Private Investor / Partner Project Description		Cost Time estimates (USD)		Responsible State Bodies		
	Transport and logistics sector						
1.	"China Geo-engineering corporation", "China Xin-Xing Construction & Development Co., Ltd" and other large companies	Construction of the road "Guzar-Bukhara-Nukus-Beyneu"	TBA	September 2019 – holding negotiations	Ministry of Transport / Ministry of Investment and Foreign Trade (Mol)		
		E	nergy				
2.	«Liaoning Lide Investment Holding Company Corp.»	Construction of 200 MW wind power plants with the participation of an investment company		September – December 2019 – negotiations concerning energy price/ execution of agreement	Ministry of Energy / Ministry of Finance / Bukhara region Municipality / Embassy of Uzbekistan in China		
		Telecommunic	ations a	nd IT sector			
2.	"Huawei Technologies Co.LTD."	Implementation of several projects under direct contracts between JSC "Uzbektelecom" and "Huawei Technologies Co.LTD." (expansion of networks and data bases of the national mobile operator)	107 mln	October 2019 – execution of loan agreement between JSC "Uzbektelecom" and National Bank of Uzbekistan (loan funds provided by the China Development Bank) / feasibility studies	JSC "Uzbektelecom"/ Ministry of Information Technologies and Communications Development (MIT) / NBU/ Mol		
3.	"ZTE Corporation"	Implementation of several projects under direct contracts between JSC "Uzbektelecom" and "ZTE Corporation" (expansion of the network of the national mobile operator)	50,9 mln	October 2019 – feasibility studies	MIT / JSC "Uzbektelecom" / Mol		
4.	Export credit Agency "Sinasure"	Provision of insurance for the project of float glass production by JSC "Quartz"	TBA	October 2019 - Preparation and submission of necessary	Asaka Bank		

				documentation for the provision of insurance	
5.	«Huawei Technologies Co. Ltd. »	Investment project on modernization of operator's technical equipment to provide the most complete connection coverage to the worldwide network Internet within territory of Uzbekistan (signed memorandum of understanding with LLC «Universal Mobile Systems»)	150 mln	December 2019 – feasibility studies / provision of document to Eximbank (China) February 2020- Development of loan agreement and getting approval of Eximbank (China)	LLC «Universal Mobile Systems» / Mol / Ministry of Finance (MoF)
		,	t industr	Í	
6.	«Tianjin KMoiaiteng»	Establishment of an engineering institute branch specializing in design of an industrial and civilian facilities with the subsequent realization of projects on PV plants construction, manufacturer of electronic materials and supplies, garment factory	TBA	January 2020 – feasibility studies	Mol / Association "Uzeltekhsanoat" / Tashkent Municipality
7.	«Shandong Wei Dewood industry»	Creation of production of fiberboard and particleboard from reeds with attraction of investments of the company	30 mln	September 2019 - visit of representatives of the company, inspection of potential sites	Bukhara region Municipality / Mol / Embassy of Uzbekistan in China
7.	«Hebei Cape of Good Hope Logistic Development Corporation»	 Implemenatation of a number of projects in the FEZ "Angren": Manufacture of electric pick-up trucks, bicycles, high quality architectural glass Textile Production of medicines 	TBA	January 2020 – feasibility studies	Mol / Tashkent region Municipality

		construction of therapeutic- prophylactic complex			
8.	«Сноngqing Sunfeel Industrial Group»	 production, processing and manufacture of final products from silk creation of new mulberry plantations silkworm production 	TBA	January 2020 – feasibility studies	Mol / Tashkent region Municipality / Association "Uzbekipaksanoat"
9.	"Hua Zhen"	 Production of patented medical needles for syringes of new generation agro cluster, consisting of a complex for the production of feed, cultivation and processing of Peking duck creation of hotel complex 	ТВА	January 2020 – feasibility studies	Mol / Tashkent region Municipality
10.	«Camel Group Corp. »	MAnufacture of lead-oxygen accumulators and processing of second-hand accumulators in the territory of FEZ " Angren»	TBA	December 2019 - feasibility studies	SEZ Angren / Tashkent region Municipality
11.	«Qindao Tianyi grop redfkag textile maxchinery Co. LTD»	Cotton fiber processing and yarn production	TBA	February 2020 – feasibility studies	Namangan region Municipality
12.	«Beijing New Building Materials Public Limited Company»	Investment Cooperation Agreement with regard to the projects for production of construction materials in Fergana region	TBA	February 2020 – feasibility studies	Fergana region Municipality

Co.Ltd» the extraction and graphite, as well as		Construction of an industrial zone for the extraction and processing of graphite, as well as the release of finished products from it in the Bukhara region	500 mln	2019 – exploration works by Chinese specialists / license obtainement	Bukhara region Municipality / State Committee for Geology / Mol / Embassy of Uzbekistan in China
14. «Jiu Peng International farm Co.Ltd»		 corn plantations and construction of a corn processing plant starch production by processing corn and production of pharmaceutical products 	10 mln 57 mln	September 2019 – land allocation 2020 – import of equipment	Bukhara region Municipality / Mol / Embassy of Uzbekistan in China
		Agi	riculture		
14.	«Good-Seed Technology» and «Zhongnongfa Seed Industry Group»	Conducting joint tests. Introduction of Chinese rice cultivation technologies	ТВА	By the end of 2020	Ministry of Agriculture
15.	«Zhejiang Forest Rainbow Medical»	Breeding of cattle with further processing and sale of products in the domestic and foreign markets (export)	3 mln	Il quarter 2020 - Execution of Investment Agreement / Company registration	State veterinary Committee / Ministry of Agriculture
16.	«JIHEXIN»	Deep processing of intestines of large and small cattle, with the subsequent export of production to China	1 mln	Il quarter 2020 - Execution of Investment Agreement / Company registration	State veterinary Committee / Ministry of Agriculture
18.	«Kingland Tehnology»	Production of drip irrigation systems, as well as components for greenhouses	30 mln	November – December 2019 Determination and allocation of land for the construction of the	Agency for development of horticulture and greenhouse agriculture

				plant / execution of Investment Agreement			
19.	«Dalin Co. Ltd. »	Production of drip irrigation systems	5 mln	October 2019 – holding negotiations with the company	Agency for development of horticulture and greenhouse agriculture		
20.	«Taonan Glorious Agricultural»	Development of new lands using the irrigation system (sprinkler irrigation, drip)	25 mln	October 2019 – holding negotiations with the company	Agency for development of horticulture and greenhouse agriculture		
21.	«Xinjiang Hengrui International Trade» and «I Chen Co. »	Creation of grape cluster with an area of 200 hectares in Tashkent region	4 mln	October 2019 –SPV establishment	Agency for development of horticulture and greenhouse agriculture		
22.	«Lyufeng Grand Cherry»	Establishment of a joint venture with the company in order to produce cherry saplings and rootstocks, as well as create intensive gardens in the Fergana region	1 mln	October 2019 – holding negotiations with the company	Agency for development of horticulture and greenhouse agriculture		
		Liv	estock/				
23.	«Henan Luoyang Wang Bang You Xuan Co.Ltd»	Creation of livestock cluster with attraction of investments of the company	29,7 mln	September 2019 – land allocation	Bukhara region Municipality / Mol / Embassy of Uzbekistan in China		
23.	«Lianing Zhenhan Group CO. LTD»	PPP-based project on the creation of a joint fish cluster on the "Aidarkul" lake	ТВА	October 2019 – holding negotiations with the company	State Tax Committee / Ministry of Agriculture / Association "Uzbekbaliqsanoat"/ State Committee for ecology and environmental protection		
	Pharmacy						
24.	«Jiu Peng International Pharmaceutical»	Investment project for the production of "in-bulk" medicines	TBA	By the end of 2019 - coordination of preliminary terms of visits	Bukhara region Municipality / Mol / Embassy of Uzbekistan in China		

TABLE 2. POTENTIAL PROJECTS WHEREBY INVESTORS / PARTNERS TO BE DETERMINED

No	Project Description	Cost (USD)	Time estimates	Responsible State Bodies					
	IT sector								
1.	Implementation of the project "Safe city" in the regions of Uzbekistan (integrated hardware and software package that is designed to ensure public safety and order)	1 bln	November 2019 - determination of the project financing scheme	MIT					
2.	Implementation of modern information technologies in the activities of ambulance emergency services in Tashkent city	TBA	December 2019 - attraction of credit funds of Chinese financial institutions	MIT / Ministry of Health					
3.	Agreement on cooperation in the implementation of information technology in the activities of ambulance services in the regions of the Republic of Uzbekistan	ТВА	December 2019 - attraction of credit funds of Chinese financial institutions	MIT / Ministry of Health					
			Agriculture						
5.	Agreement on the creation of an agricultural cluster in the Syrdarya region for the cultivation of new types of legumes, beans production and subsequent export	TBA	January 2020 - feasibility studies	Municipality of Syrdarya region/ Ministry of Economics and Industry/ Mol					
6.	Memorandum of cooperation on the implementation of investment projects in the livestock sector of Samarkand region	TBA	January 2020 - feasibility studies	Municipality of Samarkand region					
7.	Organization of the visit of representatives of Chinese companies to Bukhara region, negotiations with potential partners and signing of relevant agreements with regard to construction of fully automated greenhouses in the Bukhara region	TBA	September 2019	Bukhara region Municipality / Mol / Embassy of Uzbekistan in China					