



**STATE COMMITTEE FOR INDUSTRY, ENERGY AND SUBSOIL  
USE OF THE KYRGYZ REPUBLIC**



**“INDUSTRY OF THE  
KYRGYZ REPUBLIC”**

2020

# Kyrgyz Republic

## GENERAL INFORMATION

### Official name

Kyrgyz Republic

### Form of government

Parliamentary Republic

### Language

Kyrgyz (state language),  
Russian (official language)

### Currency: Som

Exchange rate currency (2018):

1 US dollar = 68.66 soms

1 euro = 80.03 soms

### Financial and Cultural Centres :

Bishkek and Osh cities



❖ Capital city: **Bishkek**

❖ Area of territory: **199.9 thousand sq. km.**

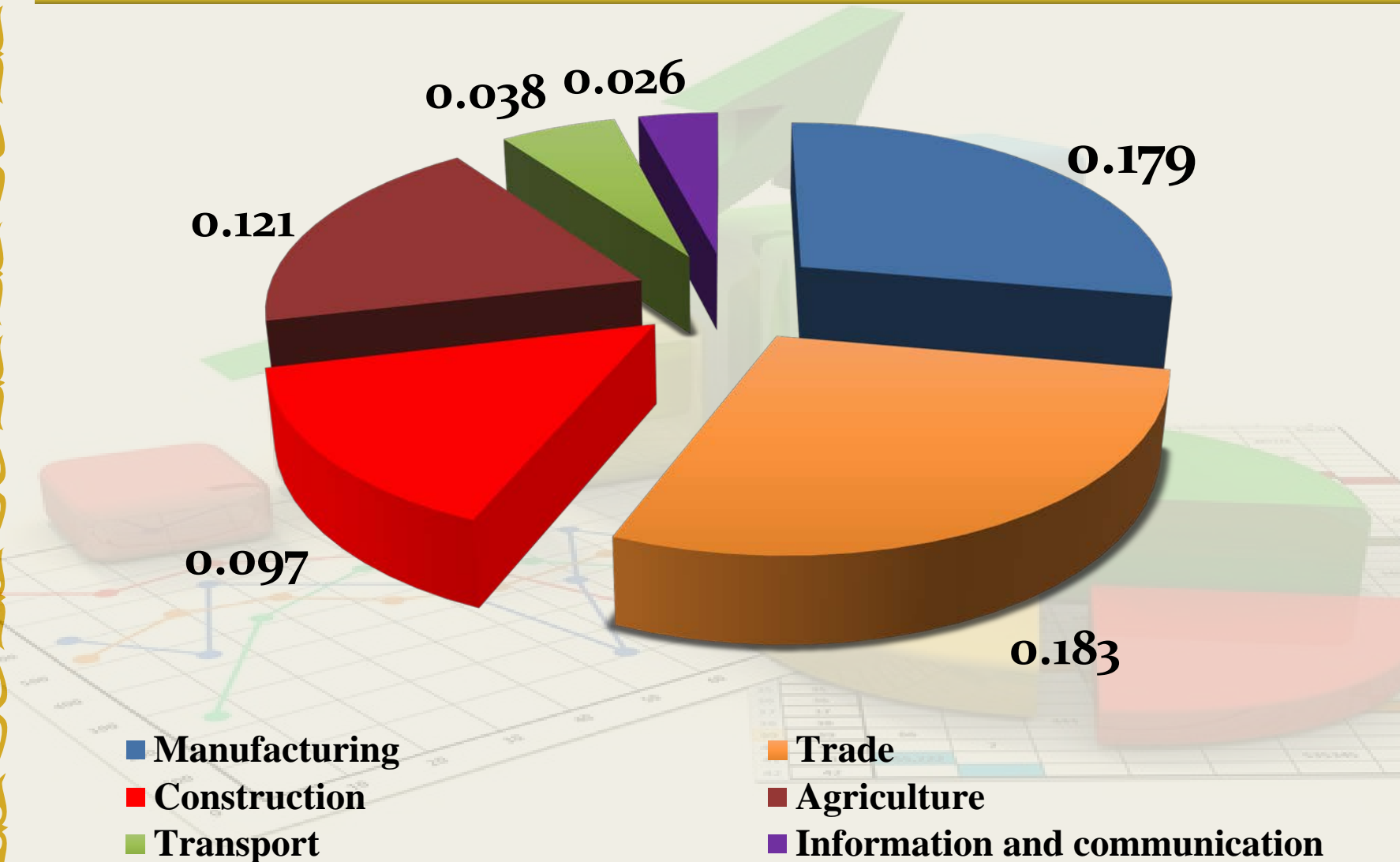
❖ Population: **6.0 million people**

❖ Average age of population: **27 years**

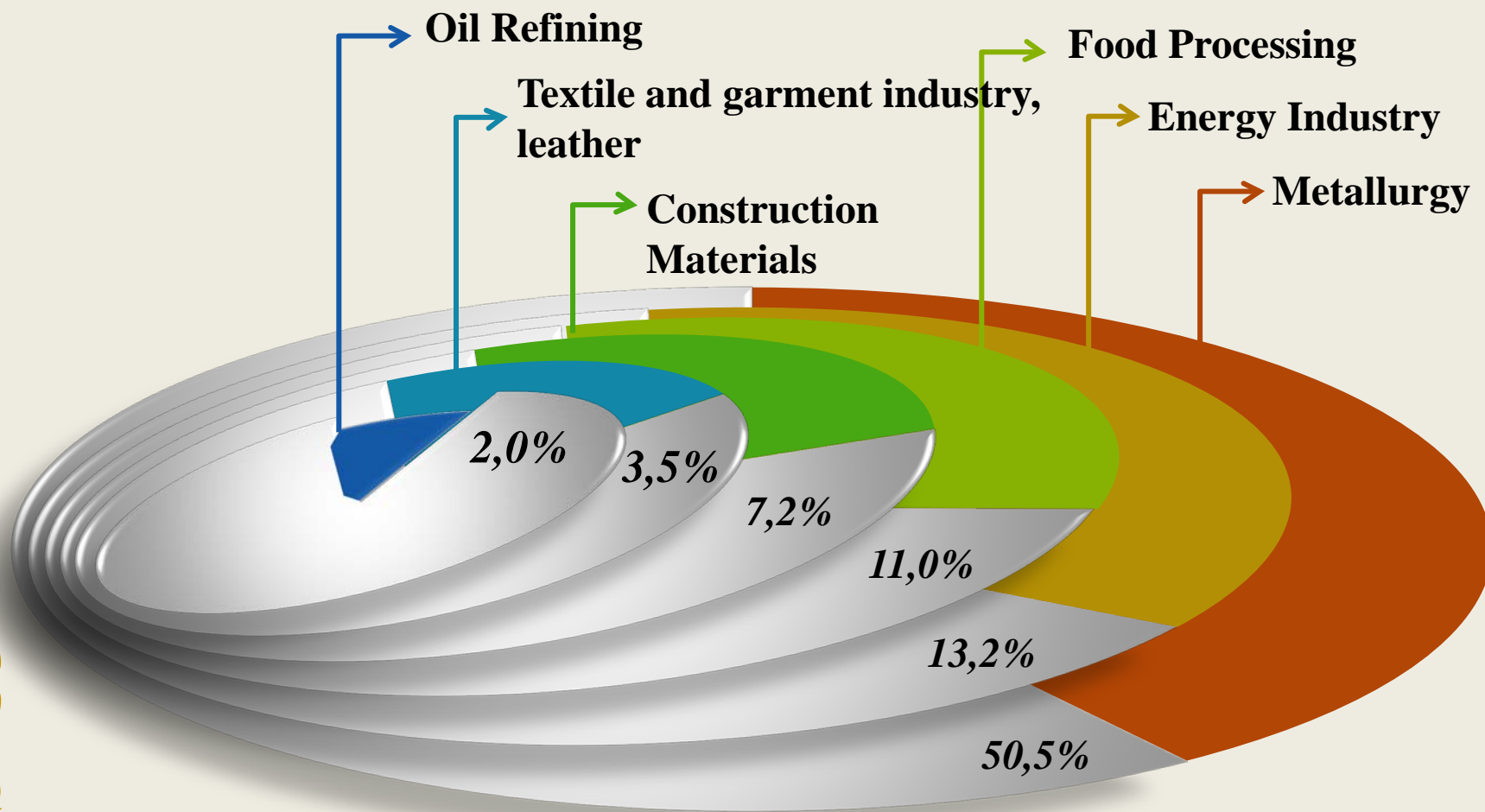
❖ Time zone: **UTC+6**

❖ Climate: **temperate continental**

# GDP structure of the Kyrgyz Republic for January-December 2019. (in %)



# Economically important manufacturing sectors for 2019. (ration in %)



# Conditions of the business attractiveness

**10.0%**

**Income tax on individuals**

**17.25%**

**Social insurance (payroll tax)**

**10%**

**Company income tax**

**Cost of land rental**

**Cost of electricity**

- 1 ha of land in Chuy region for 1100\$ (determined by the local self-government);

- 1 ha of land in Osh region for 900\$ (determined by the local self-government)

- 3.4 US cents per kWh for industrial consumers without VAT;

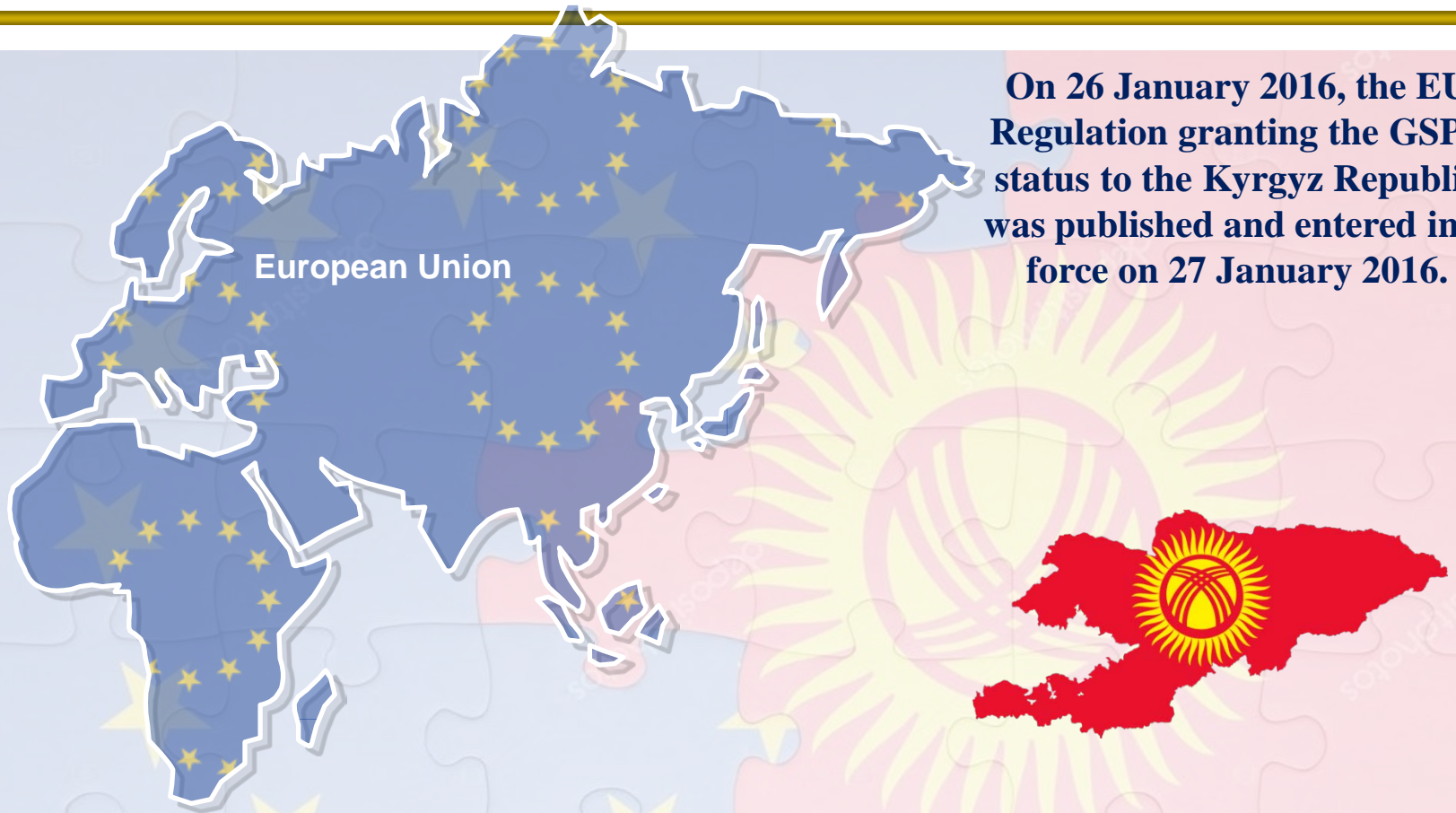
**Availability of cheap qualified labour force**

# Kyrgyz Republic is a member of international associations



# The European Union has granted the Kyrgyz Republic the status of "GSP+"

On 26 January 2016, the EU Regulation granting the GSP+ status to the Kyrgyz Republic was published and entered into force on 27 January 2016.



- **Generalized System of Preferences (GSP+)** - A program to promote the economic growth of developing countries with preferential access to the EU market at a zero customs tariff rate on 6,000 commodity items.



## State guarantees for foreign investors

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Application of the national regime of economic activity, equal investment rights for local and foreign investors;

Non-interference in economic activity of investors;

The right of investors to freely use income from their activities in the Kyrgyz Republic;

Opportunity to make investments in any forms in objects and activities not prohibited by the legislation of the Kyrgyz Republic, including licensed types of activity;

Freedom of monetary transactions (free conversion, free and unrestricted money transfers), except in cases of illegal actions (e.g., money laundering);

The right to establish legal entities in any organizational and legal forms provided for by the legislation of the Kyrgyz Republic, to open branches, representative offices in the Kyrgyz Republic and other actions related to the investor's activity in the Kyrgyz Republic that are not prohibited by the legislation;

The recognition of all rights of foreign investors in respect of intellectual property objects by government agencies and officials of the Kyrgyz Republic;

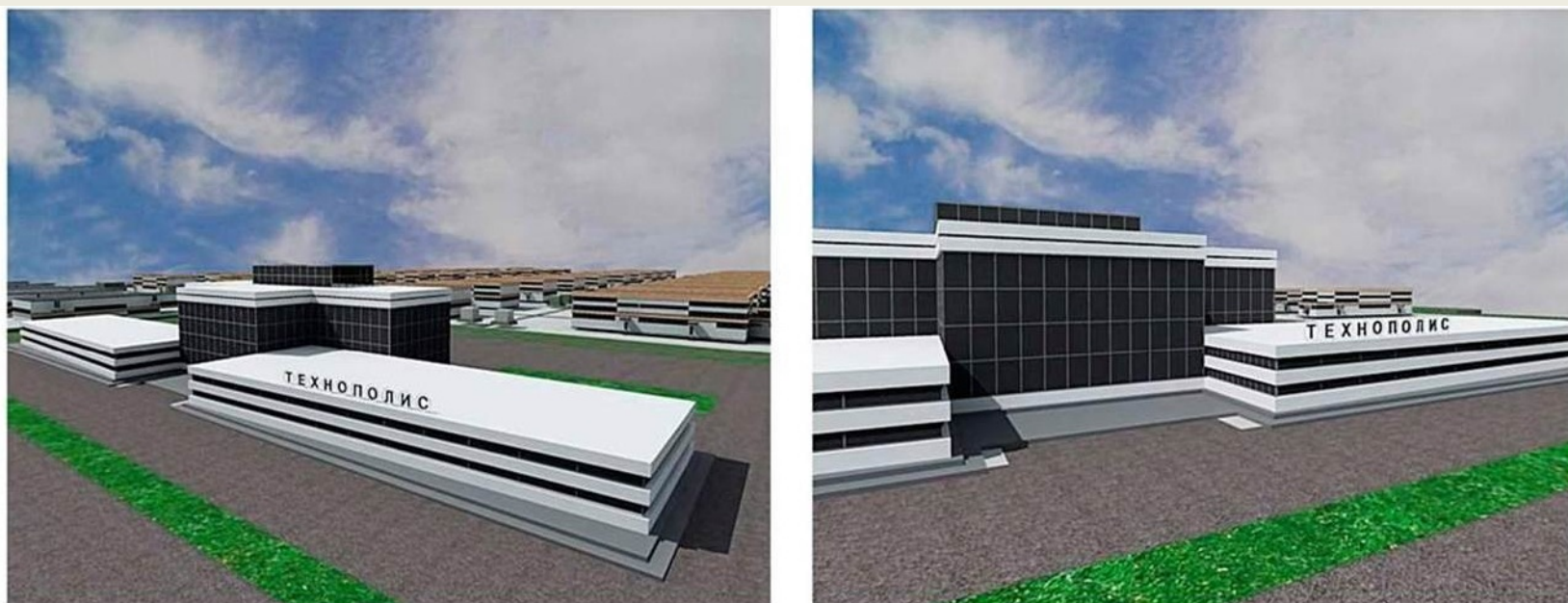
Other guarantees specifically provided by bilateral and multilateral international agreements on investment promotion and protection concluded by the Kyrgyz Republic.



# Investment projects planned to be launched



# Technopolis: view of buildings in 3D projections



- It is planned to locate about 40 enterprises with the number of employees up to 10 000 people on the territory of Technopolis (40,74 ha).
- On the territory of Technopolis there will be placed not only garment manufacturing enterprises, but also enterprises for production of knitted garments, furs, footwear, accessories and furniture, associated goods and enterprises of jewelry production.

# Technopolis - Chuy region

The project aims to support and develop small and medium-sized enterprises.

Stages	Investment volume (million US dollars)	Number of workers (units)	Production volume per year	Construction period (years)
Stage 1 garment manufacturers	45	10 000	2.5 billion soms	3
Stage 2 textile manufacturing	20	1000		
<b>Total</b>	65	11000		

- On August 1, 2018, a land lease agreement was signed for a 40.7 ha land plot.
- A certificate for temporary use of the land plot for 49 years until 17.08.67 has been received.
- Topographic survey of the land plot was conducted.
- The Association takes measures to prepare a business plan and draft design.
- As a result of the business plan preparation it is planned to carry out investment attraction work and study the issue of financial institutions' support for the project.
- After solving the financing issue, it is planned to develop design documentation (architectural, planning and engineering conditions) and obtain permission for parallel design and construction.
- It is planned to implement the project within 3 years.

# "Textile Trans" LLC

The project will contribute to substitution of raw materials import with domestic production.

Stages	Investment volume ( <i>million US dollars</i> )	Number of workers ( <i>units</i> )	Production volume per year	Construction period ( <i>years</i> )
Stage 1 cotton fabric and knitted fabrics	9,5	150-250	225 tons per month	
Stage 2 garment manufacturers	0,6	220	1 million units	
Stage 3 spinning industry	30	500	10 thousand tons per year	1

- "Textile Trans" LLC produces cotton fabric and knitted fabric rolls. The total project cost is \$9.5 million. The total cost of the project is USD 9.5 million, including USD 7.5 million from the RKDF loan, entrepreneurs' own funds - 2 million USD. Production capacity - 225 tons per month.
- The USAID program provided support to "Textile Trans" LLC in purchasing modern equipment for garment manufacturing. The total investment amount is 621,183.00 USD, of which 297,720.00 USD (48%) is a grant from USAID and 323,463.00 (52%) is a contribution from the enterprise.

# Construction of Silk Way Industrial Park in Chuy region




# Silk Way Industrial Park, Chuy region

It is planned to build 112 specialized factories on the territory of the park producing sewing, textile and footwear products with the total area of 70 hectares, where large enterprises as well as individual entrepreneurs working on a license basis will work. The total cost of the project is 200 million US dollars.

Stages	Investment volume (million US dollars)	Number of workers (units)
Stage 1 Industrial Zone	50	5000
Stage 2 Customs and logistic center, administrative and economic complexes, exposition center	25	1200
<b>Total</b>	<b>75</b>	<b>6200</b>

- The Alamedinsky District Commission adopted a decision on transformation of 70 hectares of land plot owned by "Silk Way Industrial Park" LLC.
- By the decision of the KR Government dated 30.10.18 the land plot with the area of 70 hectares was transformed from the category of "agricultural designation" into the category of "industry".
- **Prime Minister of the Kyrgyz Republic M.Abylgaziev** attended the capsule laying ceremony at the construction site of the industrial park on **October 31 this year**.



**Investment attraction to develop the  
production of new modern types of products  
that are in demand in the market.**

It is well known that any enterprise cannot have good prospects if it will not constantly work on the assortment of output, development of new kinds of production demanded in the market.

In this connection, the following enterprises for the purpose of creating modern products are proposed for investors' consideration

# "OREMI" OJSC



**There are free production areas and engineering communications.**

**The company is ready to consider proposals for investment in the development of new products. The required investments are approximately 5.0 million USD.**

## **Type of activity**

**Manufacture of products, works and services for the needs of electrical distribution networks (RV network disconnectors, outdoor high voltage disconnectors, lamellas, current transformers, etc.)**

### **Services :**

- ❖ **Installation of transformer substations and their components;**
- ❖ **Overhaul of general industrial electric motors and generators of different capacities;**
- ❖ **Major repair of 6-10/0.4 kW transformers.**

### ***The list of development works:***

- ❖ **On manufacturing of transformers up to 40 MVA with voltage of 110-220 kV;**
- ❖ **On manufacturing of electro-gas switches of 110-220 kV;**
- ❖ **On manufacturing of smart electric, gas and water meters.**



## **"OREMI" OJSC**

### *Assets*

**Buildings and structures located on a land plot of 28750.0 square meters in Bishkek.**

**Equipment, vehicles, transformer substations, warehouse materials, commodities and materials**

### *Products :*

- ❖ **Oil transformers (OT): OT-63/6-10/0,4 kVa, OT-100/6-10/0,4 kVa, OT-160/6-10/0,4 kVa, OT-250/6-10/0,4 kVa, OT-400-6-10/0,4 kVa, OT-630/6-10/0,4 kVa;**
- ❖ **Packaged Transformer Substation: PTS-25/6-10/0,4 kVa., PTS-40/6-10/0,4 kVa, PTS-63/6-10/0,4 kVa, PTS-100/6-10/0,4 kVa, PTS-160/6-10/0,4 kVa, PTS-250/6-10/0,4 kVa, EPTS-400-6-10/0,4 kVa, EPTS-630/6-10/0,4 kVa.;**
- ❖ **Outdoor high voltage disconnectors "РЛНД 1-10/400" with "ПП-01УХЛ" drive;**
- ❖ **Contact switch "PB -250A-380У3" and "PB-400A-380 У3";**
- ❖ **Lemali for "РЛНД 250/400А" and of 110-220 kV;**
- ❖ **Packaged micro HPP with capacity from 3 kW to 15 kW;**
- ❖ **Complete distribution device of external installation of 10 kV with capacity for 630 to 3150 amperes;**
- ❖ **General rubber goods**

# **“ELECTRICAL ENGINEERING PLANT” OJSC**



## **Description**

**Address: Karakol city, Issyk-Kul region**

**According to the evaluation carried out by the evaluation company "Al-Star Property Assessment and Expertise Center" LLC, the value of property assets of “Electrical Engineering Plant” OJSC amounted to 34 514.2 thousand soms, including:**

- 1. Land plot, a total area of 38600 square meters, 14668.0 thousand soms;**
- 2. Land plot, a total area of 760 square meters, 192.3 thousand soms;**
- 3. Buildings and structures, 19 615.5 thousand soms;**
- 4. Material assets (furniture and accessories), 38.4 thousand soms.**

# "Issyk-Kul Oblastroymaterialy" CJSC

•"Issyk-Kul Oblastroymaterialy" CJSC is a relatively new plant, compared to similar enterprises of the Republic, commissioned in 1986.,

•**Location:** Кыргызская Республика, Иссык-Кульская область г. Балыкчы (на стыке Нарынской и Иссык-Кульской областей).

• **Products:** production of expanded clay, lime, gypsum, limestone. The products are supplied to builders and gold miners, sugar factories and agricultural industry.

•**Advantage:** "Issyk-Kul Oblastroymaterialy" CJSC has a huge unused potential for business development - it is a 35 kW power substation, has its own railroad tracks with access to Russia and Kazakhstan, a water well and an area of more than 12 hectares, "Issyk-Kul Oblastroymaterialy" CJSC is the only plant for production of expanded clay in the Kyrgyz Republic.

• "Issyk-Kul Oblastroymaterialy" CJSC is 100% provided with its own limestone quarry, and shale is supplied by "Kyrgyztash" OJSC, coal is supplied from "Kara-Keche" brown coal deposit..

•**Project goal:** expansion of production and modernization of the burning process of lime, expanded clay, gypsum, cement with conversion to fuel oil, liquefied gas furnace fuel. Supply of expanded expanded clay lime to construction companies, as well as gold mining plants and supply of limestone to sugar factories, chicken factories and agriculture of the Republic.



# CREATION OF MODERN PRODUCTS ON THE BASIS OF THE "KADAMJAY ANTIMONY PLANT" OJSC

- **"Kadamjay Antimony Plant" OJSC** was established in 1936, and since 1996 - "Kadamjay Antimony Plant" OJSC.
- **Location** - Batken region, Kadamjay city.
- **Form of ownership** - private.
- **Output production** - metal antimony (marks Su-2, Su-0 and Su-00), its compounds (technical antimony trioxide, antimony trioxide of jet frequency of "Ч, ЧДА, Ч" marks for lavsan), antimony tri-sulfur and sodium thioantimonate (Schlippe's salt).
- Antimony and its compounds are produced by pyrometallurgical and hydrometallurgical methods. The company has lines for production of antimony trioxide, sodium thioantimonate (Schlippe's salt), reflective furnaces (for refining of cathode and black antimony), silite furnaces, high efficiency "E-6,0-1,4 MГH" boilers of "Tansu" company, gas (or fuel oil) is used as fuel.
- "Kadamjay Antimony Plant" OJSC is located 140 km from Osh and 50 km from Kyzyl-Kiya, in the place where are railway stations - the nearest ones in the Kyrgyz Republic. There is a developed network of highways. The industrial complex of the plant is located near the district center of Kadamjay, Kadamjay district, Batken region of the Kyrgyz Republic. The distance to the regional center of Batken is 110 km by highway.
- Manufacture of metal antimony and main products of the plant. Technologically it can be used in the manufacture of car batteries. It is proposed to create a joint Kyrgyz-Chinese production (enterprise) on the basis of this enterprise for the manufacture of car batteries in agreement with the owner.



# ESTABLISHMENT OF A JOINT VENTURE ON THE BASIS OF "KYZYLKIYA MACHINE-BUILDING PLANT" OJSC

- **"Kyzylkiya Machine-Building Plant"** OJSC was established in 1978, in 1993 the Open Joint Stock Company was established.
- **Location**– Batken region, Kyzylkiya city, south-eastern part
- At a distance of 1 km from the plant there is a road of republican importance Osh-Batken. Nearby is the Kyzyl-Kiya railroad station. The city of Kyzyl-Kiya borders the Republic of Uzbekistan and Tajikistan..
- **Form of ownership**– private.
- **Output products**– square-point shovels, round-point shovels, shovels for concrete, for coal, garden rakes, door and window awnings, "ПЖД-10" disconnectors, traverses for high-voltage power lines, non-standard products, construction gypsum, dry mixes for finishing works.
- There are workshops in good condition, bridge cranes with lifting capacity of 5 and 16 tons, a compressor station to provide equipment with compressed air with a capacity of 24 cubic meters per hour. The company has its own 110/10 kV substation, with 2 transformers of 16000 kV installed each. Water supply of the plant is carried out from the city water supply network. There is a sewerage system, which is connected to the city sewer collector.
- There is equipment for the cold-pressing production: mechanical and hydraulic presses for mechanical processing of metals by cutting, turning and milling, gear-cutting, grinding machines, scissors for metal and sheet metal forming machines.
- For expansion of manufacture and introduction of new kinds of production, at the coordination with the owner, production areas for creation of joint manufacture (enterprise) on manufacturing of garden stock are offered, and also the company is ready to co-operate on mutually advantageous conditions on release and processing of any types of products.





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# THANK YOU FOR YOUR ATTENTION!

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