



**HAZARASP**  
FREE ECONOMIC ZONE

# FEZ “HAZARASP”



Free economic zone “Hazarasp” established according to the Decree of the President of the Republic of Uzbekistan №4931 of January 12, 2017. **By this Decree, members of the free economic zone are granted tax and customs privileges.**

The activity of the FEZ is coordinated by the state unitary enterprise “Directorate of the FEZ “Hazarasp””, which was established in accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of April 10, 2017 №196.

# Tax preferences

## Exemption of all taxes.

### Period of privileges and incentives



- 3 years - if amount of direct investments is from 300 thous. to 3 mln USD;
- 5 years - if amount of direct investments is from 3 mln to 5 mln USD;
- 7 years - if amount of direct investments is from 5 mln to 10 mln USD;
- 10 years and 50% reduction of profit tax and unified tax for the following 5 years - if amount of direct investments is more than 10 mln. USD

# Tax preferences

- **Land tax**
- **Property tax**
- **Profit (income) tax**
- **Unified tax (for Small and Middle Enterprises)**
- **Tax on the development of infrastructure and amenities**
- **Obligatory payments to the Republican Road Fund and Republican Fund of Elementary and Secondary Education**

# Customs exemptions

For the whole period of functioning enterprises are exempted from customs duties for imported:

- **Equipment**
- **Raw materials**
- **Production components**

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for goods aimed to exports

For the various terms depending on amount of FDI:

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for goods aimed to domestic market

# Location of FEZ “Hazarasp”



Distance from major cities :

Tashkent – 975 km

Navoiy – 435 km

Russia – 1450 km

Turkmenistan – 155 km

Kazakhstan – 700 km

Tajikistan – 1000 km

Afghanistan – 1000 km

Kyrgyzstan – 1300 km

# Availability of engineering and communication infrastructures

All participants of FEZ are guaranteed to be connected to all communication infrastructures as per the Decree of the President of the Republic of Uzbekistan №4931 on January 12, 2017.



**Power supply**



**Gas supply**



**Supply of drinking water**

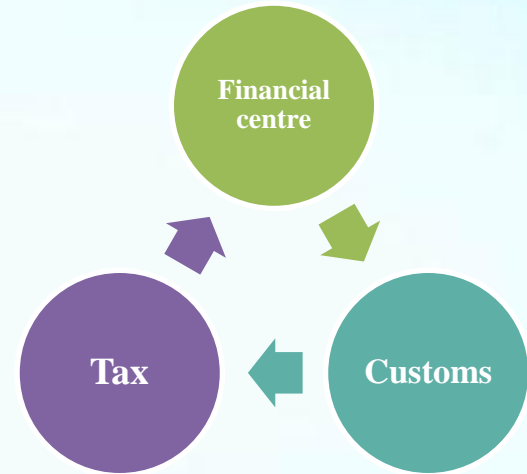


**Sewerage**

# Availability of engineering and communication infrastructures



**Railway**



**“Single window” services centre**



# Projects under implementation



Construction materials  
4 projects



Light industry  
2 projects



Electronics  
2 projects



Pharmacy  
2 projects



Machinery  
3 projects



Leather-footwear  
industry  
1 project





Food industry  
3 projects



Chemical industry  
1 project

# Recommended directions for implementation

Project	Brief information	Photo of end product
<p><b>Production of PVC resin (SG5) GB/T5761 - 2006, GB/480394 (Polyvinylchloride suspension)</b></p>	<p>Polyvinylchloride is used to produce canalization and water pipes, molded and profile products (slopes, outflows, window profiles, window sills, wall panel, siding).</p> <p>Import of PVC to Uzbekistan was \$40 million in 2016. Main raw material used to produce PVC resin is liquid chlorine (57%), which is produced in “Navoi Azot” PC.</p>	 <p>Труба канализационная НТЕМ однострунная Тройник НТЕА 45 градусов Тройник НТЕА 67 градусов Муфта НТММ Муфта надвижная НТУ Муфта переходная НТР (радиатор-эксцентрик) Тройник НТЕА 87 градусов Крестовина одноплоскостная НТДА 67 градусов Резьба НТРЕ Муфта переходная короткая НТРК (радиатор-эксцентрик) Муфта компенсационная НТЛ Отвод НТВ 15 градусов Заглушка НТМ Отвод НТВ 30 градусов Отвод НТВ 45 градусов Отвод НТВ 87 градусов</p>
<p><b>Recycling leather and producing footwear</b></p>	<p>Production of leather products is one the most perspective industries. Thus, there is not any manufacturer in this industry in Khorezm region. Considering existing potential of the region, there is opportunity for making raw material in domestic market to organize manufacturing leather products.</p>	

# Recommended directions for implementation

## Organizing the recycle of fruit and vegetables

More than 700,000 tonnes of vegetables and 300,000 tonnes of fruits are grown in Khorezm region annually. Organizing production of tomato paste, jam, fruit and vegetable products.



## Organizing manufacturing of textile products

There is great potential to realize projects to manufacture textile products in Uzbekistan. Around 300,000 tonnes of cotton is grown and recycled in Khorezm, annually. Therefore, recycling higher share of cotton fiber is needed in domestic market. The current recycle percentage of total cotton fiber is 45%.



# Recommended directions for implementation

## Agricultural technologies

\$20 million value agricultural technologies were imported into Khorezm in 2017.

There is a demand for the following technologies:

- Multiprofile tractors
- Technologies for greenhouses
- Drip irrigation technology
- Air drones for better supervision of land in scale
- Weather watch systems
- Laser levelers
- Laboratories (genetics)



## Recycling milk and meat

1 million tonnes of milk and 150 thousand tonnes of meat are produced in Khorezm each year.



# Advantages of investing in the FEZ “HAZARASP”

- ✓ Support of investors by the government;
- ✓ Tax and customs privileges;
- ✓ Provision of land on a free basis;
- ✓ Convenient geographical location;
- ✓ Availability of engineering and communication infrastructures;
- ✓ Availability of qualified specialists;



- ✓ Availability of access to the markets of the CIS countries and Asia.



# Human resources for FEZ “HAZARASP”

**Khorezm has established and working system of preparation of highly-skilled workforce**

**3 institutes of higher education. More than 3 100 graduates annually**

- Urgench State University (14 faculties)
- Urgench Branch of the Tashkent University of Information Technology
- Urgench branch of the Tashkent Medical Academy.

FORBES SEP 14, 2017

Eurasia's Latest Economic Reboot Can Be Found In Uzbekistan

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Forbes

The Bloomberg logo is displayed in a bold, black, sans-serif font with a slight shadow effect.

**Bloomberg**

Uzbekistan, the region's most populated country, once was closed to the world, is now open to the world.

“As a starter, its central bank has made first moves to make its currency, the soum, fully convertible.”

*Bloomberg* on 5 September 2017

# Business Ombudsman of Uzbekistan



As per President's Decree №5125 on July 28, 2017, Kasimov Dilmurod Sultanmuradovich was appointed to the position of business-ombudsman for the protection of rights and lawful interests of entrepreneurs.

Business-ombudsmen dictates his own authorization and is independent from state bodies and their representatives. He subordinates only to the President.



*“I guarantee secure protection of your investment, inviolability, ownership and free transfer of profit”*

*President of the Republic of Uzbekistan  
Shavkat Mirziyoyev*



**Thank you for your attention!**

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[www.hfez.uz](http://www.hfez.uz)