



«Uzpakhtasanoatexport» Holding company

COTTON INDUSTRY OF UZBEKISTAN: PRIORITIES, PROSPECTS AND COMPETITIVE ADVANTAGES



PASSPORT OF COUNTRY

№6

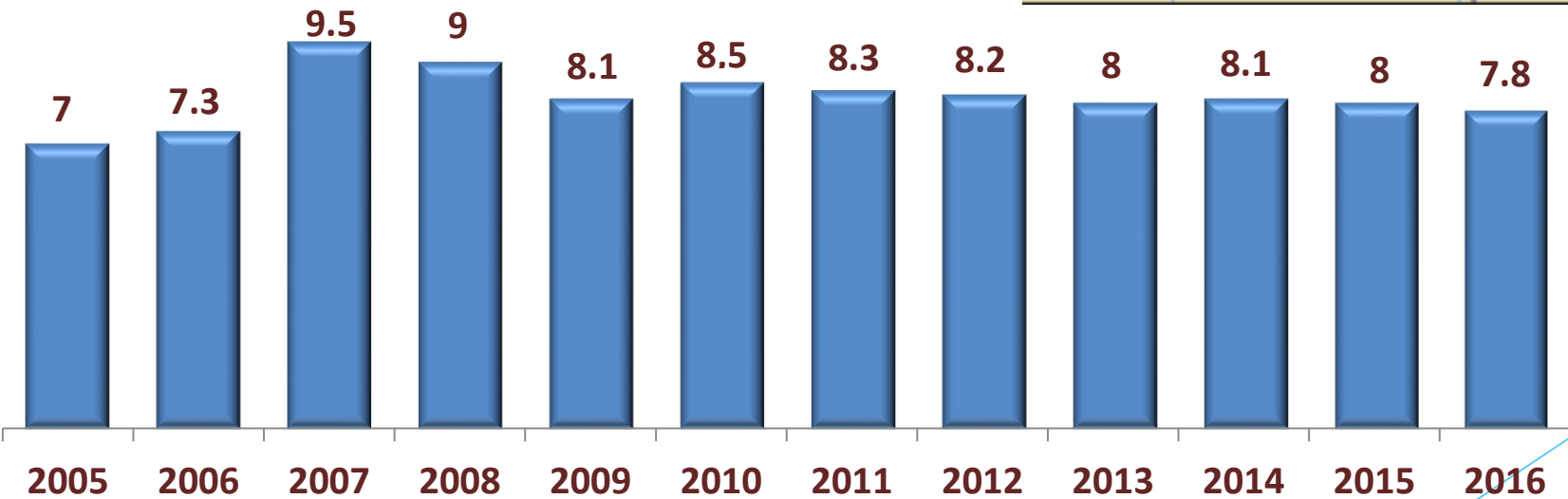
• Producer of cotton fiber

№5

• Exporter of cotton fiber

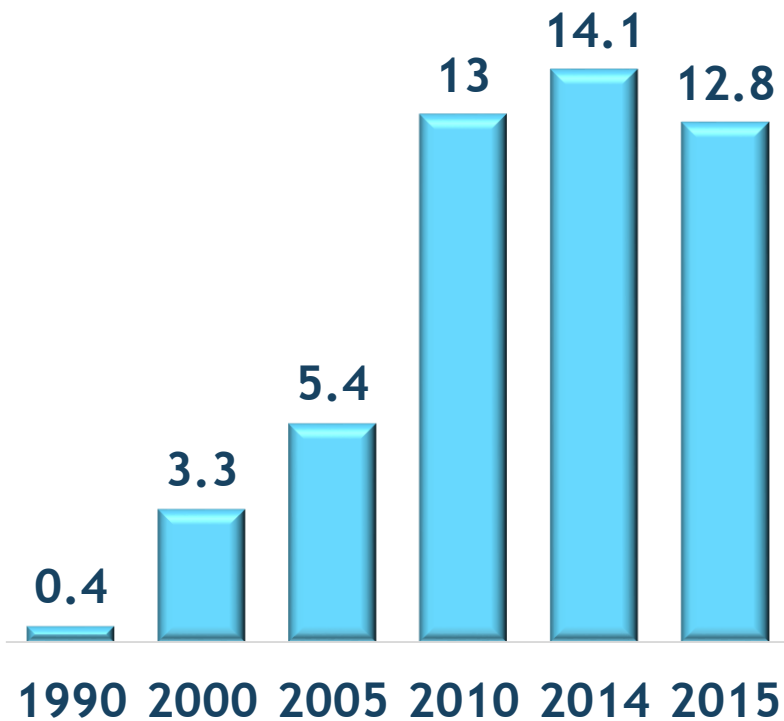
>8%

• GDP growth rate



GDP Growth Rate
(in % to previous year)

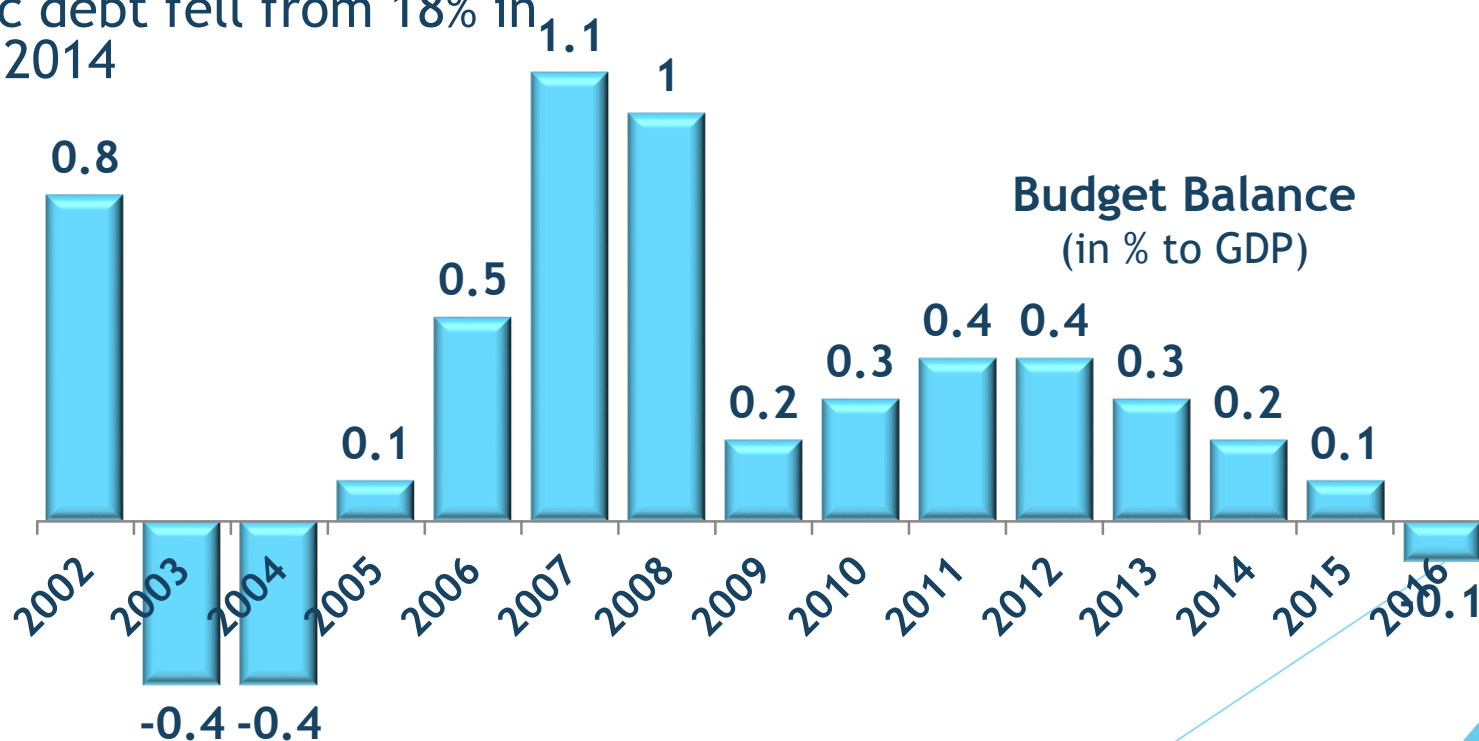
Export Indicators (in billion USD)



- ▶ Export for the period 1990-2016 increased more than **30 times**
- ▶ Share of finished products in export structure expanded to **76%**
- ▶ Over the past **10 years** export of high value-added products increased sharply, in particular:
 - ▶ automobiles - 12 times,
 - ▶ yarn - 4 times,
 - ▶ complex fertilizers - 11 times.

Macroeconomic Stability

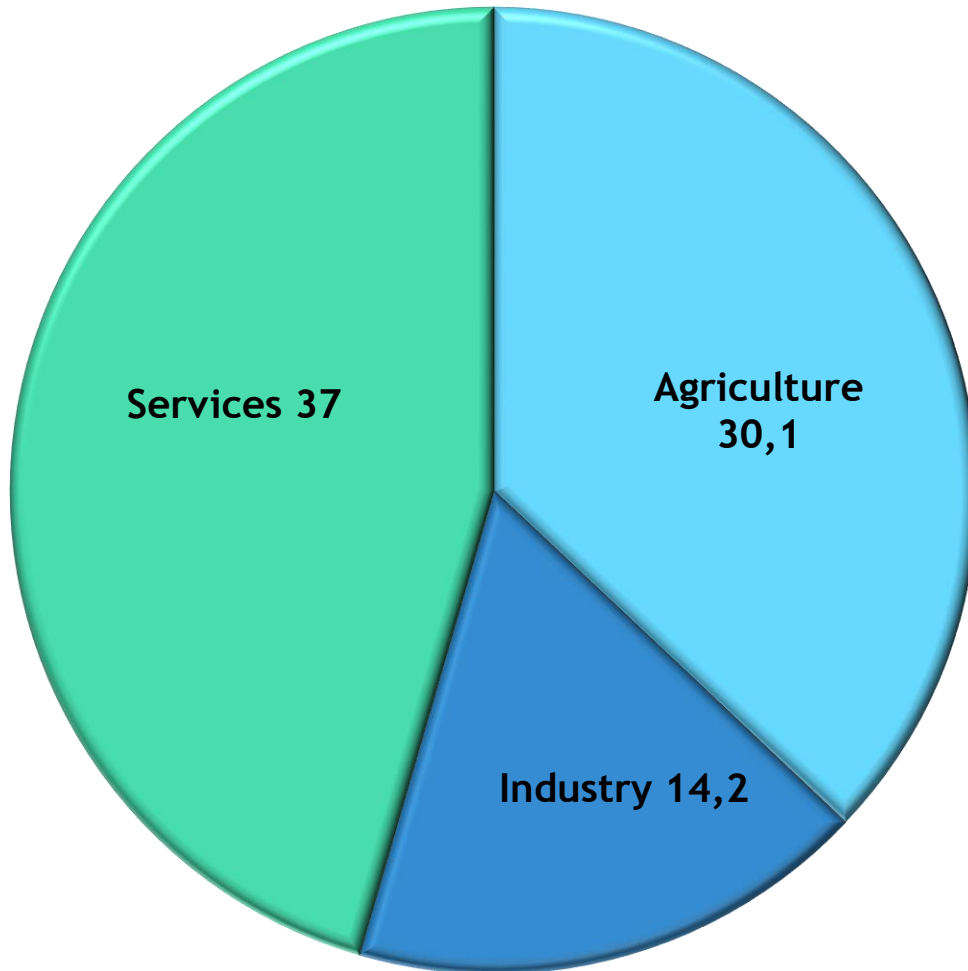
- Surplus of the state budget since 2005
- Balance of payments surplus since 2003
- Prudent monetary policy ensured inflation rate at 7%
- The total external debt does not exceed 15%
- Internal public debt fell from 18% in 2000 to 0% in 2014



Economy Diversification

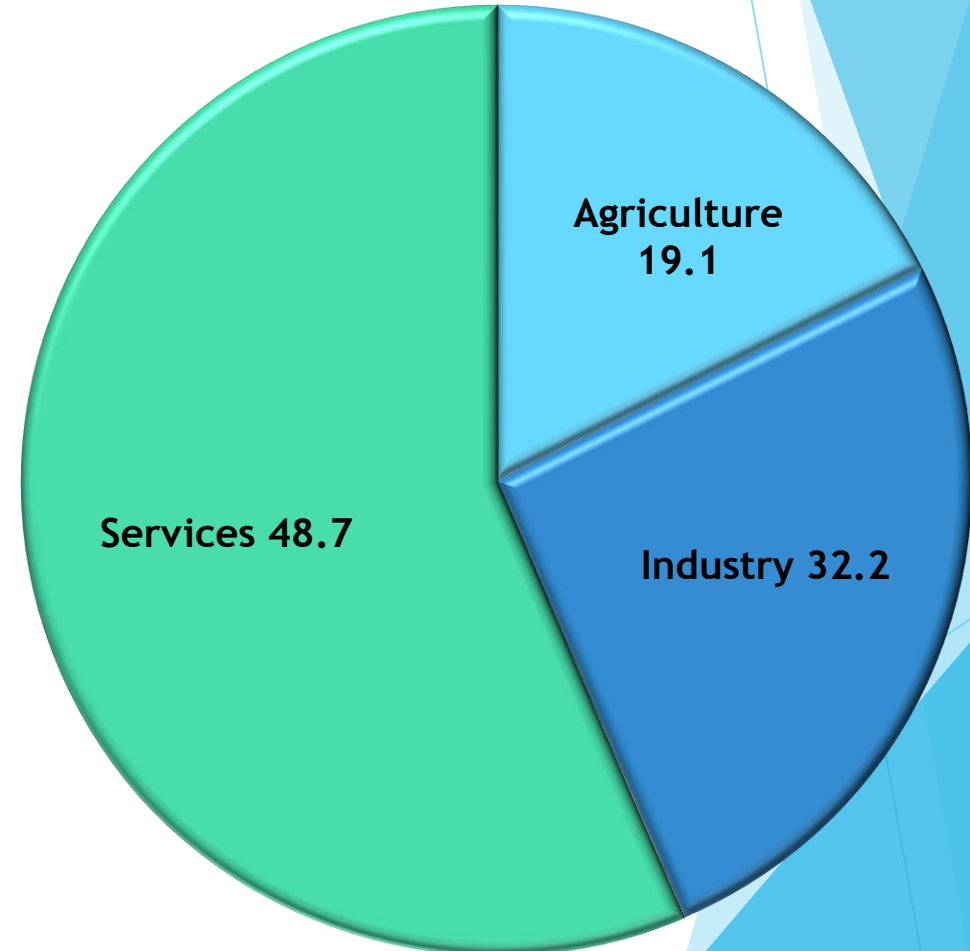
GDP Structure in 2000

(in %)

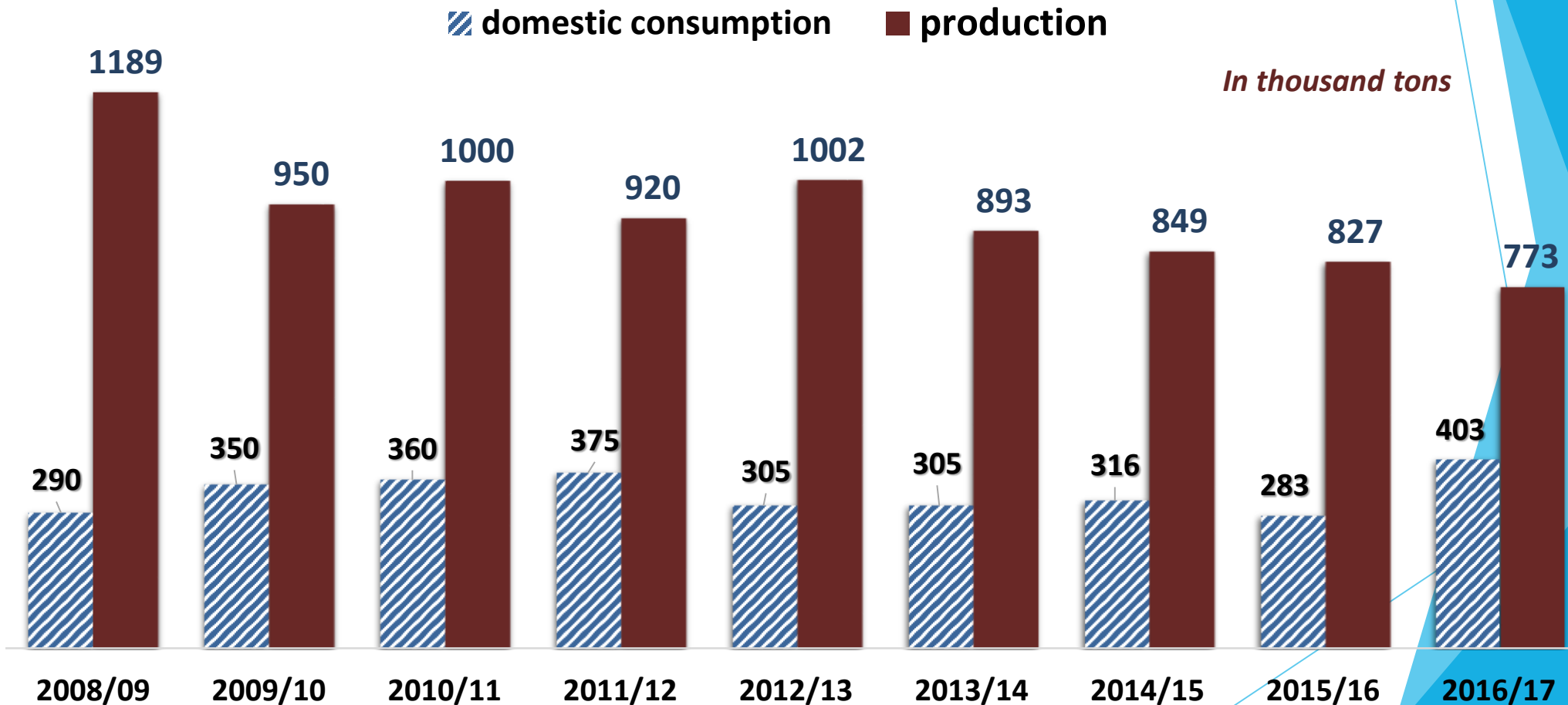


GDP Structure in 2016

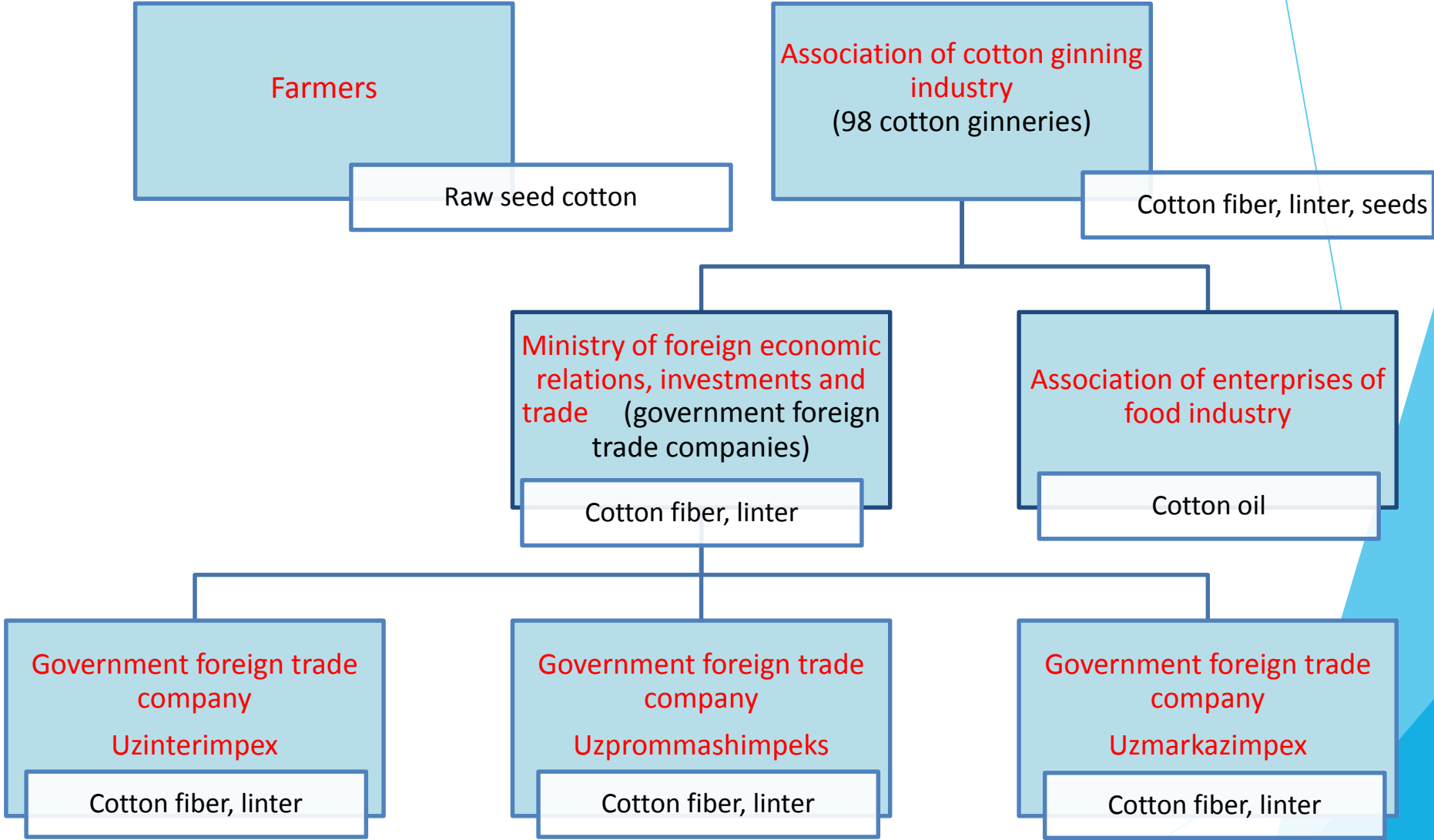
(in %)



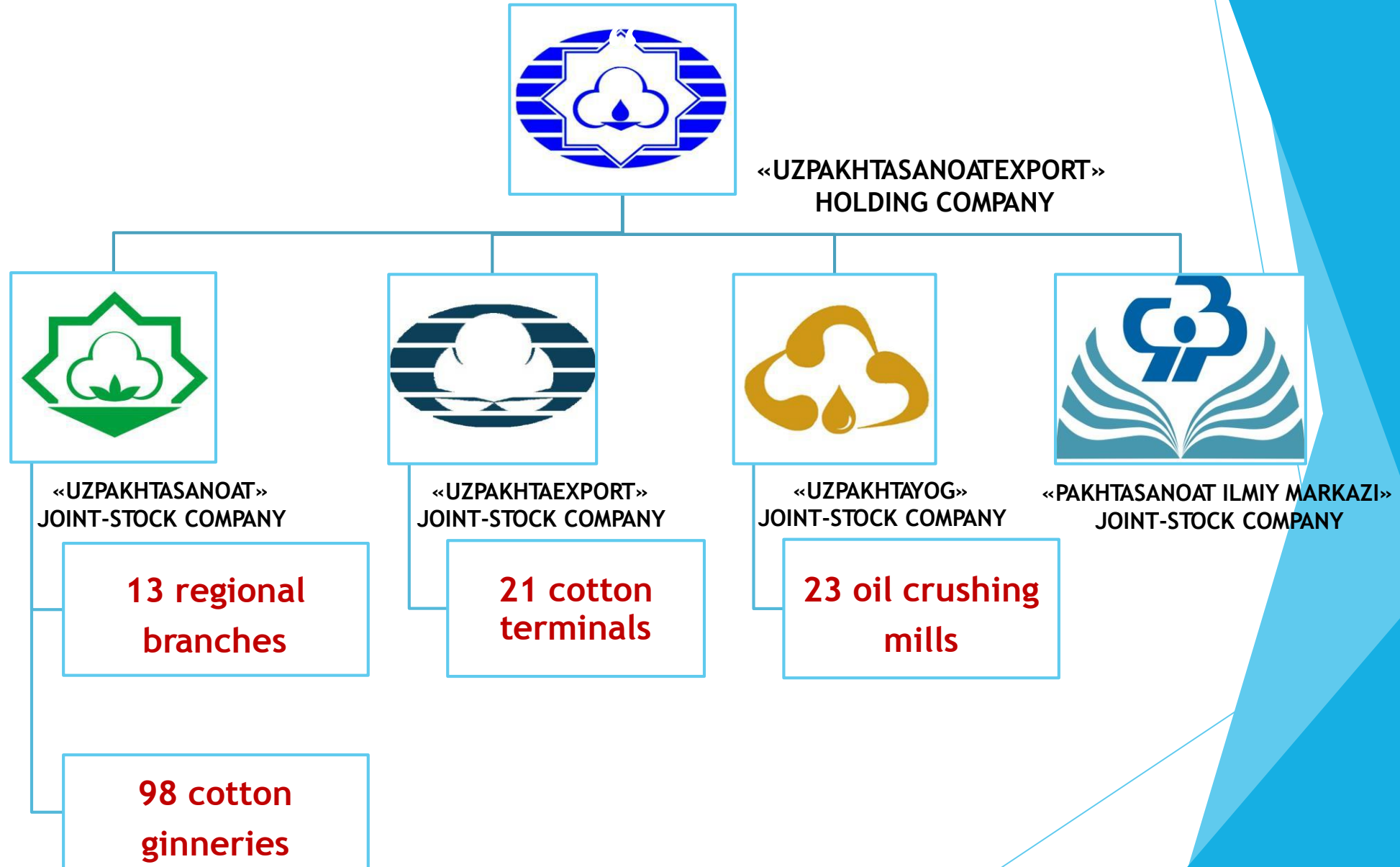
Cotton production and consumption in Uzbekistan



Organization structure of cotton industry: Former



Organization structure of cotton industry: In August 2015



THE MAIN TASKS AND ACTIVITIES UZPAKHTASANOATEXPORT HC

Marketing

- Systematic market research of the world cotton market and improvement of cotton fiber sales system for export and domestic consumers



Responsibility

- Providing of reliable and accurate account of the quality and quantity of produced cotton, fat and oil products

Quality

- Improvement of quality and competitiveness of cotton, fat and oil products by introduction of high quality cotton varieties and implementation of modern technologies



THE MAIN TASKS AND ACTIVITIES

Harvesting

- Increasing of machine picking volumes. Organization of strict control under the technological process.

Technology

- Improvement the technology of primary processing of seed cotton and technical cotton seeds

Investments

- Wide attraction of investments for realization of programs of modernization of cotton industry





«UZPAKHTASANOAT» JSC



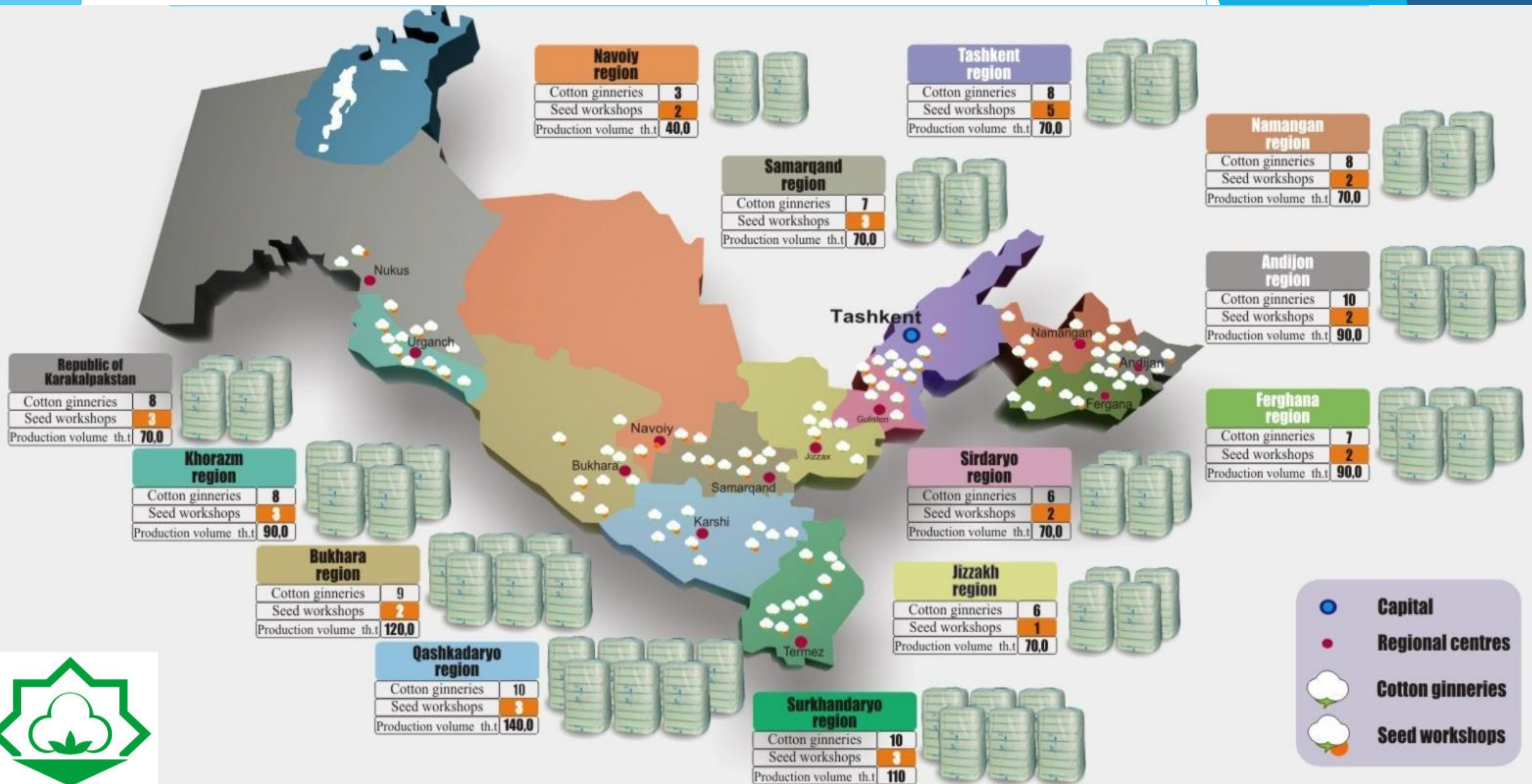


THE MAIN TASKS AND ACTIVITIES OF “UZPAKHTASANOAT” JSC

- organization of procurement and processing of seed cotton, production of high quality cotton fiber, cotton linter and technical cotton seeds;
- modernization of ginneries, improvement of cotton fiber quality according with world cotton market requirements.



PRODUCTION OF COTTON FIBER: VOLUMES BY REGIONS





HARVESTING AND PROCUREMENT OF SEED COTTON



>3,0

- mln. tn. Seed cotton



1,0

- Mln. tn. Cotton fibre

1,6

- Mln.tn. Technical seeds

80

- Thous.tn. Cotton linter



Uzbek cotton quality: Certification according with world standards



Cotton certification center “Sifat”



- Controls the quality and weight of each bale
- 100% bale-by-bale certification since 2001
- Database of all lots and varieties of cotton fiber

100
%

100
%

100
%



«UZPAKHTAEXPORT» JSC





THE MAIN TASKS AND ACTIVITIES OF “UZPAKHTAEXPORT” JSC

- providing common export policy of Uzbek cotton sales according to international standards, application of flexible mechanisms for delivery and mutual settlements with consumers;
- marketing research of the world cotton market and expansion the geography of sales.



COTTON LOGISTICS: TERMINALS

21

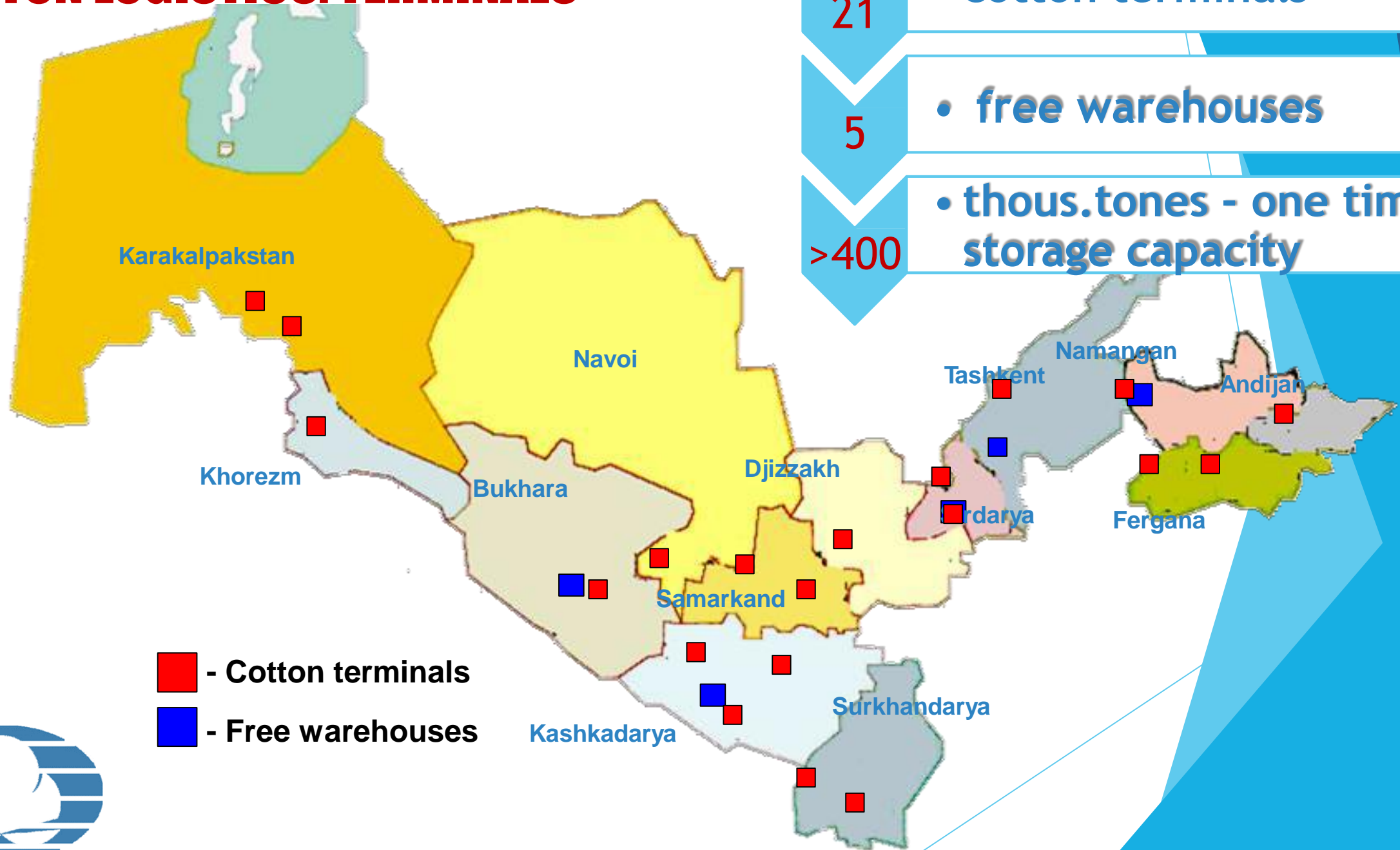
• cotton terminals

5

• free warehouses

>400

• thous.tones - one time storage capacity



- - Cotton terminals
- - Free warehouses



Cotton logistics: Transport corridors





GENERAL EXPORTER: «UZPAKHTAEXPORT» JSC

Export Policy of Uzbek Cotton

- ▶ Availability of cotton through the season: from September to August
- **Trading houses and representations in:**
China, Bangladesh, Russia, Ukraine, Latvia, Switzerland, Kazakhstan, Turkey, Singapore.
- Membership of:**
International Cotton Association
International Cotton Advisory Committee
Bremen cotton exchange

▶ Delivery terms:

FCA

- cotton terminals

EXW

- warehouses

DAP

- border of Uzbekistan

FOB

- transshipment ports of Iran, Georgia and Russia

CFR

- ports of Asian countries

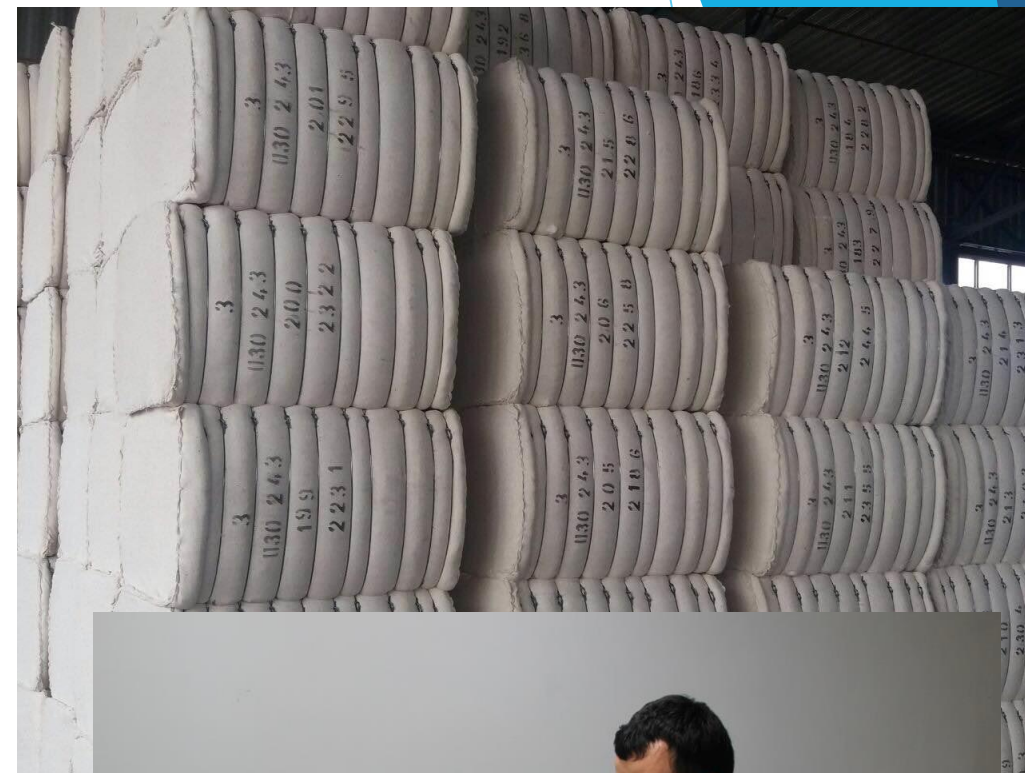
Quality of Uzbek cotton fiber

- ▶ Base : Strict Middling
- ▶ Staple code: 35-37, LS cotton fiber “Porlok” 41 and higher
- ▶ Micronaire: 3.7 - 4.9
- ▶ Classification: Both hand classification and HVI
- ▶ All standards of Uzbek Cotton Fiber are regulated by Oz`DSt 604-2016





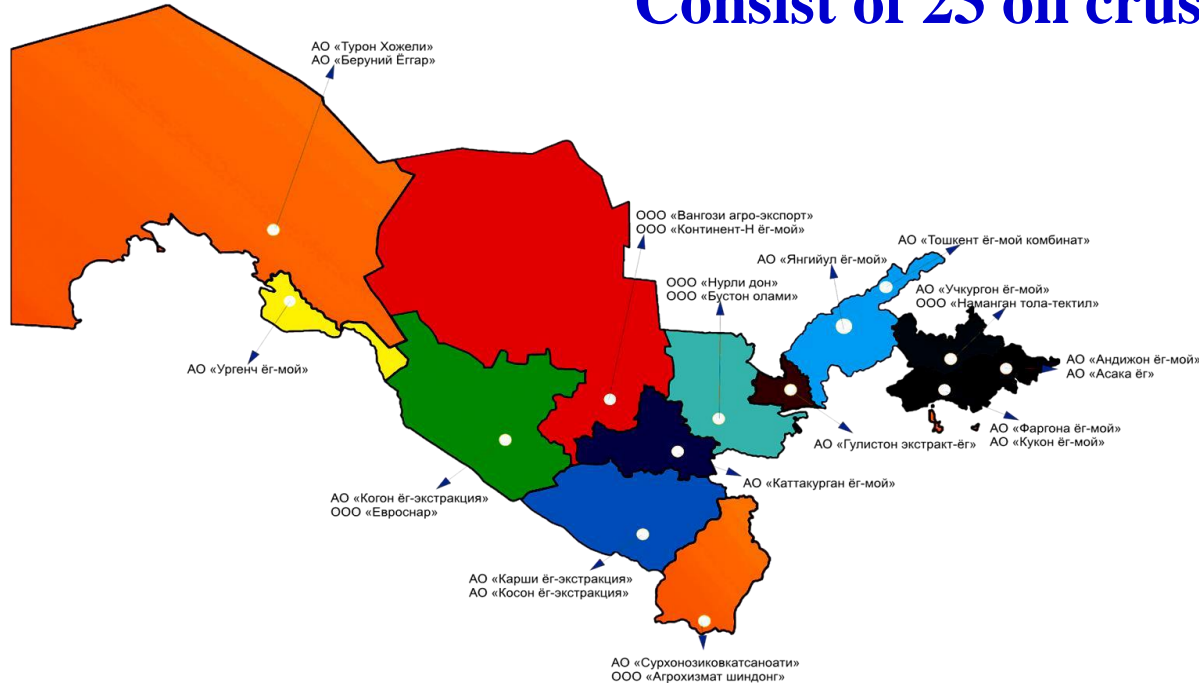
LABORATORIES FOR QUALITY AND QUANTITY ASSUARANCE OF COTTON FIBER AT COTTON TERMINALS





«UZPAKHTAEG» JSC

Consist of 23 oil crushing mills



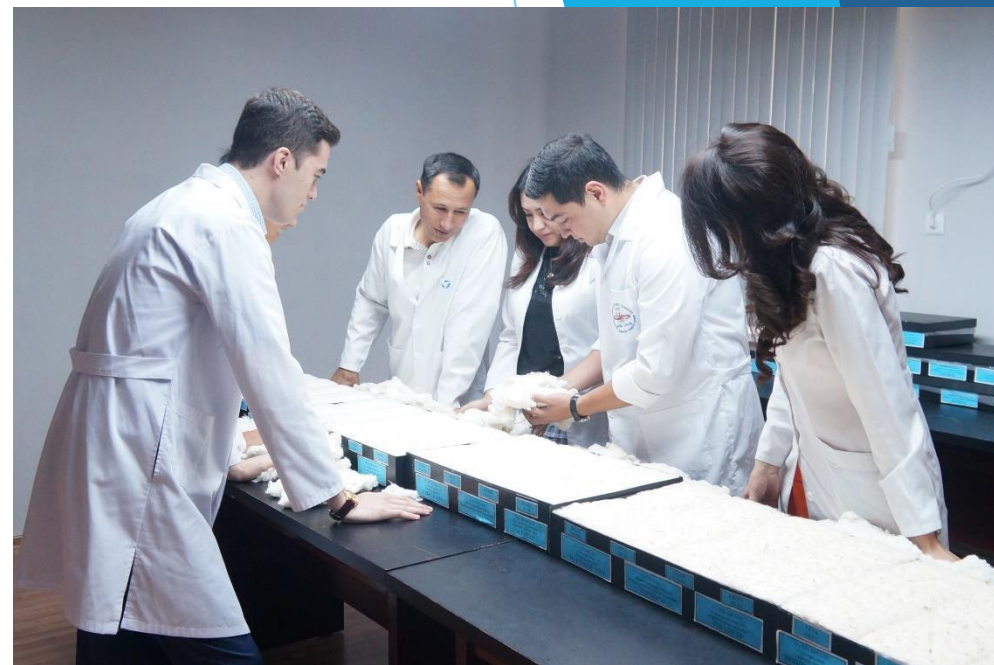
- Providing of procurement, strict account of technical cotton seeds, their quality control;
- Production of high quality cotton oil and other oil and fat products for the most complete saturation of the domestic market, and increasing of export volumes.



SCIENTIFIC CENTER «PAKHTASANOAT ILMIY MARKAZI» JSC

- Performing of scientific researches directed to creation and improvement of cotton technics and technology;

- Improvement of classification and certification systems of cotton products, standardization, development of scientific-technical and methodical documentation, training of specialists for cotton industry.



The training center annually retraining more than 1,000 specialists of cotton industry.



DEVELOPMENT CONCEPTION OF COTTON INDUSTRY OF THE REPUBLIC OF UZBEKISTAN



COTTON HARVESTING: MACHINES MH-1,8



- ▶ Produced more than 2000 harvesters for the period 2012-2016.
- ▶ Manufacture - JSC "Tashkent factory of agricultural machinery" and JSC "Technolog".



• Machine picking



• CERTIFICATION AND LABELING OF MACHINE PICKED COTTON



AUTOMATED INSTRUMENTAL PROCUREMENT OF SEED COTTON BY EACH LOT



CAS

All regional cotton terminals equipped with world leading electronic scale manufacturers' products such as CAS and Mettler Toledo.



XII International Uzbek Cotton and Textile Fair

- More than 1500 participants from 42 countries of the world
- Annual trade event is always the highlight of the global cotton calendar



“UZPAKHTASANOATEXPORT” HOLDING COMPANY WELCOMES ALL PARTICIPANTS AND GUESTS TO THE XIII INTERNATIONAL UZBEK COTTON AND TEXTILE FAIR WHICH WILL BE HELD IN OCTOBER 2017 JOINTLY WE HOSTING 76TH PLENARY MEETING OF INTERNATIONAL COTTON ADVISORY COMMITTEE





Thank You for attention

8a, Sh.Rustaveli street, Tashkent

<http://uzpse.uz>

e-mail: info@uzpse.uz

