

Presentation on creation of a free economic zone "KOKAND"



brief information about Fergana region



territory: 6,8 thous. sq.km

cities: 4 points

regions: 15 points

population: 3,6 mln. people

plain 79% of the total area Border- 565 km

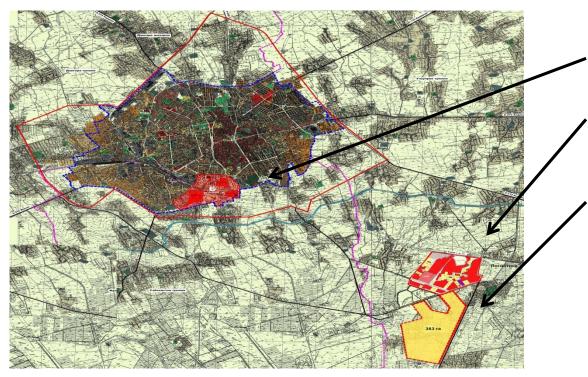
from Tashkent - 250 km

the population density in 1 sq km - 490

The location of Fergana region and FEZ "KOKAND" in Central Asia



The creation of the free economic zone Kokand



B zone - 58,3 hectares (Kokand city)

A zone - 268,0 hectares (Uchkuprik district)

V zone – 383,0 hectares (Uchkuprik district)

Note: area highlighted in red existing enterprises and yellow free territory for project implementation.

According to the Decree of the President of the Republic of Uzbekistan was given 709,3 hectares of land in the Uchkuprik district and Kokand city to create a "Free economic zone Kokand"

Exemption of payments from participants of free economic zones:

- land tax,
- income tax,
- tax on property,
- tax for accomplishment and development of social infrastructure,
- single tax payment for micro firms and small enterprises,
- and also obligatory deductions in Republican road Fund and off-budget Fund of reconstruction, refurbishment and equipping of schools, professional colleges, academic lyceums and medical institutions under the Ministry of Finance of the Republic of Uzbekistan;

Customs payments (except fees for customs clearance) for equipment, raw materials and component parts imported for own production needs, as well as building materials not produced in the Republic and imported into the framework of the projects on the lists approved by the Cabinet of Ministers of the Republic of Uzbekistan.

Benefits are granted for a period of 3 to 10 Uzbekistan years, depending on the amount of investment, including the equivalent: From 300 thousand for a period of 3 years; US dollars to 3 million US dollars From 3 million US for a period of 5 years; dollars to 5 million **US** dollars From **5 million** US

• for a period of **7 years**;

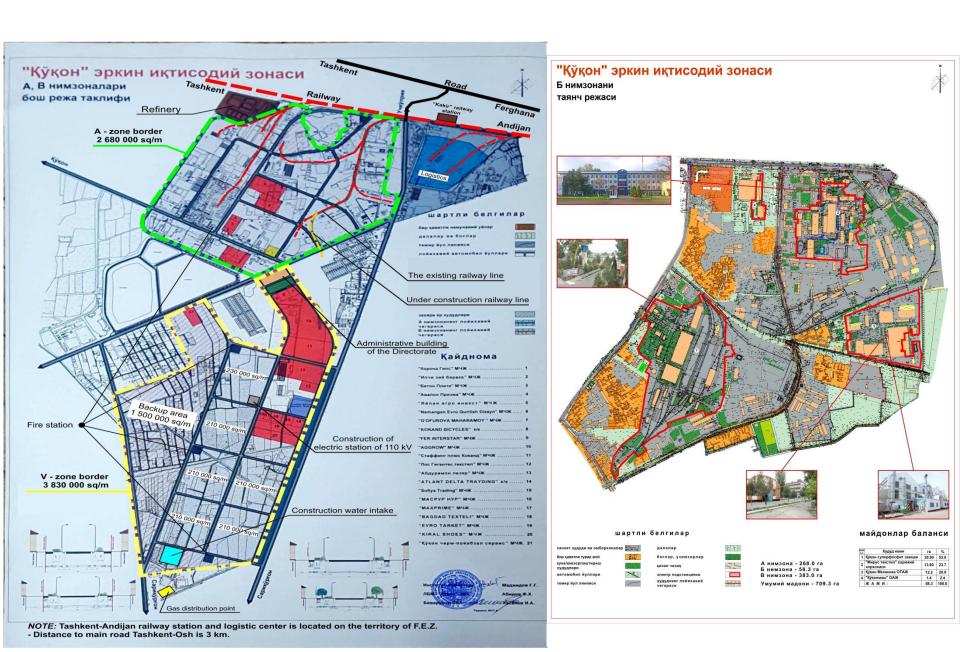
From 10 million US dollars and above

dollars to 10 million

US dollars

 for a period of 10 years, with application of the income tax rate and single tax payment for the next 5 years at a rate of 50 percent below the current rates.

The location and infrastructure of the FEZ



PROCEDURE FOR REPRESENTATION OF DOCUMENTS TO THE DIRECTORATE OF THE FEZ "KOKAND"

In accordance with the existing procedure, at the first stage of selection, the investor submits to the Directorate a completed investment application for the location of production on the territory of the FEZ in the form approved by the Administrative Council of the FEZ with its annex:

- information on the availability of state registration of a legal entity (investor) or other document confirming the activities of this investor;
- business plan of the proposed investment project;
- information confirming the existence of an investor's experience in the relevant field and / or implementation of similar investment projects (if any);
- Information on the financial and economic activities of the investor for the last three years

All documents are submitted by the investor to the Directorate with an attached certified translation into the State or Russian language. The investor is responsible for the accuracy of the information and documents submitted. In the absence of experience in the relevant field and in the implementation of similar investment projects, the investor submits to the Directorate information on the technology partners involved in the implementation of the investment project.

- If at the time of filing an investment application the investor:
- - carries out economic activities from 1 to 3 years, the investor submits to the Directorate information on financial and economic activities for the actual time of its activities;
- - did not carry out financial and economic activities or carried out it for less than a year, the investor submits to the Directorate information on the financial and economic activities of at least one founder of the investor.

REQUIREMENTS TO BUSINESS PLAN:

- •The business plan submitted to the Directorate should reflect the following main points:
- •- information on the organization of the legal entity (hereinafter referred to as the applicant) or its founders, their experience in the relevant field and in the implementation of a similar investment project;
- - the number of jobs with the source of recruitment (local college graduates, persons sent by the labor exchange, employees of other organizations and the recruitment of specialists from abroad);
- •- name, specificity and volumes of products planned for release;
- •- prospective prices and sales markets for products, indicating the volumes of supplies to domestic and foreign markets;
- •- marketing research of domestic and foreign sales markets planned for production;
- •- availability of raw materials and guaranteed supply of raw materials and materials for the period of implementation of the investment project, with separate indication of local and imported materials, components;
- •- Calculations of the level of production localization and changes in the commodity position of the final product according to the code of the commodity nomenclature of foreign economic activity of the Republic of Uzbekistan (HS code for version 2017) compared to the raw material at the level of one of the first 4 digits;
- •- logistics and transportation of resources and finished products necessary for production;
- •- the necessary volumes and parameters of the facilities (electricity, natural gas, drinking and technical water, sewage, road) for the implementation of the investment project and the stable operation of production;
- •- availability of industrial emissions, indicating the types and volumes of gases, solid and liquid wastes;
- •- the estimated size of the required site for the rational distribution of production;
- •- a preliminary layout for the location of production with an indication of the location of the main production hall, equipment and production line, the administrative building, warehouses and other auxiliary premises;
- •- a description of the production technology (taking into account environmental requirements) with a list of process equipment, manufacturers, suppliers and countries;
- •- a description of the process equipment intended for use in production, as well as the management system used in the investment project that meets international standards;
- •- estimated volumes, type and timing of investment, sources of financing and anticipated collateral in case of borrowing;
- •- financial and economic calculations and indicators of economic efficiency of the investment project.