



# ORASAM

## MONTHLY NEWS BULLETIN

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## EUROPEAN COMMISSIONER INVITED TURKMENISTAN TO JOIN THE SOUTHERN GAS CORRIDOR



European Commissioner for Budget and Human Resources, Günther Oettinger, spoke at the meeting of the Council on the Southern Gas Corridor (SGC) in Baku with a proposal to Turkmenistan to supply gas to the EU through Azerbaijan.

Oettinger announced plans to increase gas supplies from Azerbaijan to 20-25 billion cubic meters per year and offered to take part in the project to Turkmenistan.

According to Neftgaz European Commissioner Oettinger said: "Azerbaijan, which produces gas, has repeatedly stated that they are ready to offer their capabilities, if there are energy resources on the eastern shores of the Caspian

Sea which can be transported to Europe through Georgia and Turkey. The decision on this issue will be made by the government in Ashgabat." Oettinger did not specify the conditions of Turkmenistan's participation in the SGC, and how the Turkmen gas is planned to be transferred to Azerbaijan.

SGC with a length of 3.5 thousand km and a cost of \$ 40 billion will allow Azerbaijan to supply gas to Europe. The resource base for the project is Azerbaijani Shah Deniz on the shelf of the Caspian Sea. SGC includes the South Caucasus Pipeline (SCP), as well as the Trans-Anatolian Pipeline (TANAP) and Trans-Adriatic Pipeline (TAP).

## TRADING VOLUME BETWEEN TURKEY AND KYRGYZSTAN WILL INCREASE

The press service of the Ministry of Economy reported that the trade turnover between Turkey and Kyrgyzstan does not meet the potential of bilateral cooperation.

The Minister of Economy of Kyrgyzstan Oleg Pankratov held talks with the President of the Foreign Economic Relations Board of Turkey Nail Olpak. The Turkish side was informed about the economic and investment potential of Kyrgyzstan, improved conditions for foreign investors, free economic zones (FEZ) of Kyrgyzstan and especially about the Naryn FEZ.

According to the report: "It was decided to consider opportunities in strengthening bilateral cooperation, expanding trade and removing existing barriers for trade and investment." Despite the fact that in September 2018 the presidents of the two countries set the task to increase the volume of trade between the countries to \$ 1 billion, the increase of trade is not sufficient yet.

Additionally investment projects through public-private partnerships in the field of energy, transport, sports and a project on the reconstruction and modernization of the



Manas International Airport were presented to the Turkish side.

The Turkish Exporters Association is one of the largest organizations in Turkey representing the interests of business. It promotes Turkish goods to foreign markets, increases trade with foreign countries and consists of 61 unions of industrial and regional exporters.

## NUMBER OF KYRGYZ WORKERS IN TURKEY IS INCREASING



Consul General of Kyrgyzstan in Almaty, ex-Minister of Labor, Migration and Youth Aliasbek Alymkulov informed that the number of Kyrgyz migrant workers in Turkey has increased.

Alymkulov said that "the largest flow of labor migrants from Kyrgyzstan is to Russia, Kazakhstan and Turkey; most of them still prefer to go to work in Russia" The workers prefer to work in Kazakhstan and Turkey after Russia. According to him, over the past 3-5 years, the number of migrant workers from Kyrgyzstan has sharply increased in Turkey. The main reason of interest of Kyrgyz citizens is the strong

economy of Turkey, as well as the country's experience and success in the fields of tourism, healthcare and education, said Consul General. Alymkulov noted that Turkey and Kyrgyzstan are connected by common culture, religion, language, historical and cultural values. "Kyrgyzstan needs Turkish investments. We must ensure the transfer of new technologies from Turkey. It is also necessary to send our specialists to Turkey to enhance their experience. It is necessary to use the experience of Turkey in the fields of tourism, healthcare and education," said Alymkulov. Alymkulov added that those who had graduated in Turkey were contributing to the country's economy. "Our youth who graduated in Turkey are coming back and make successful accomplishments. They contribute to the development of the state and the national economy. We meet strong businessmen among them. We support our young people going to Turkey for education," said Alymkulov.

According to the Kyrgyz government, the population of Kyrgyzstan now exceeds six million, of which more than 700,000 are migrant workers. 663 thousand of them are in Russia, and there are 30 thousand migrant workers in each of Kazakhstan and Turkey, 14 thousand in South Korea, over 20 thousand in the countries of the Middle East, Asia, Europe, and in the USA.

## KYRGYZSTAN PLANS TO EXPORT POTATOES AND BEEF TO UZBEKISTAN



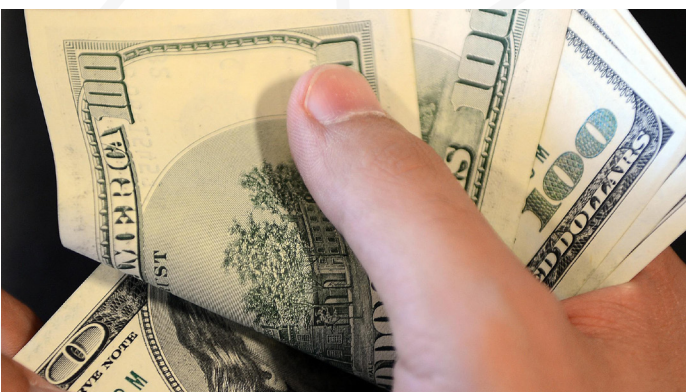
The Ministry of Agriculture, Food Industry and Land Reclamation of Kyrgyzstan and the Ministry of Agriculture of Uzbekistan have reached an agreement on the Cooperation Program for 2019.

The Press Service of the Kyrgyz Embassy in Tashkent reported that with reference to the visit of the Minister of Agriculture, Food Industry Nurbek Murashev to Uzbekistan. On February 12, 2019 in Tashkent, with the assistance of the Embassy of Kyrgyzstan and Uzbekistan, the Minister of Agriculture, Food Industry and Melioration of the Kyrgyz Republic Nurbek Murashev met with the Minister

of Agriculture of the Uzbekistan Jamshid Khodjaev, First Deputy Minister of Investment and Foreign Trade of the Uzbekistan Sunatulla Bekenov, Vice Chairman of Uzkimyosanoat JSC Bakhtier Babakulov.

The meeting was also attended by the Ambassador of Kyrgyzstan in Uzbekistan Ibrahim Zhunusov. During the meeting, the parties discussed the supply of potatoes from Kyrgyzstan to Uzbekistan, mineral fertilizers, cotton and wheat seeds to Kyrgyzstan, and the elimination of restrictions towards bilateral trade, as well as current issues of bilateral cooperation.

## WORKERS TRANSFERRED \$ 2.6 BILLION TO KYRGYZSTAN IN 2018



According to the National Bank of the country, the inflow of remittances to Kyrgyzstan is estimated at \$ 2,685.3 billion in 2018.

Compared with 2017, the figure grew by \$ 203.1 million. The highest volumes of remittances were recorded in July (\$ 279.4 million) and October (\$ 271.1 million) last year. At the same time, \$ 205.9 million have been transferred to the republic in December 2018. This is \$ 30.7 million less than a month earlier.

Russia accounts for more than 90% of remittances. At least \$ 2,638.5 billion have been transferred from this country last year.

An outflow of funds was also observed in 2018. At least \$ 542.2 million have been transferred from Kyrgyzstan to other countries. Compared to 2017, the outflow of money increased by \$ 90.3 million.

Thus, the net inflow of transfers to the Kyrgyz Republic is estimated at \$ 2,143.1 billion. This is \$ 112.8 million more than in 2017.

## KYRGYZSTAN WILL ALLOCATE 5.3 BILLION SOMS TO FARMERS IN 2019

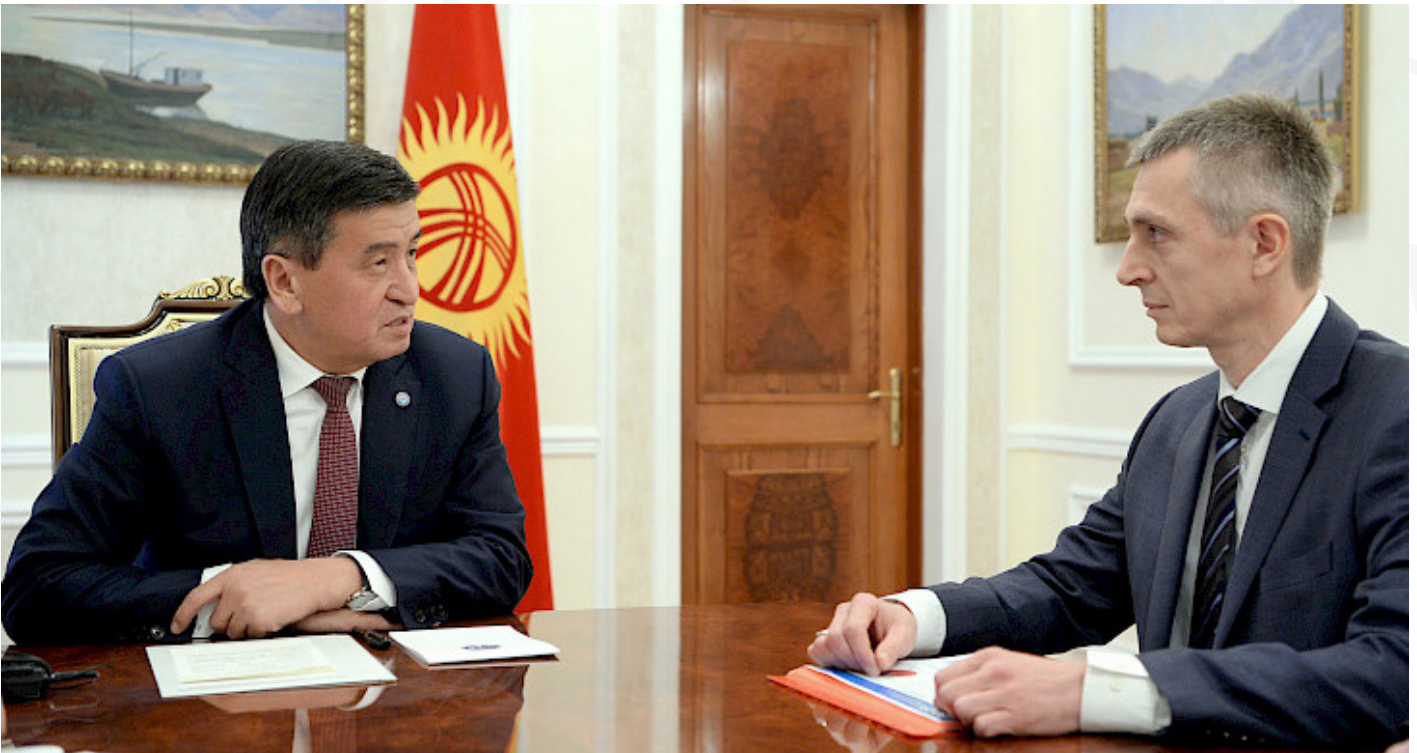


Website of the Ministry of Finance of Kyrgyzstan announced that they signed contracts with nine commercial banks for 5.3 billion soms for the implementation of seven projects on agriculture.

Preferential loans will be provided for the development of crop farming, livestock and agricultural products' processing.

Lending to agricultural producers will be carried out at 6% per annum for the processing of agricultural products, at 8% in horticulture and intensive forestry, greenhouse farming and irrigation system, purchasing breeding cattle or equipment for artificial insemination. A loan for the livestock and crop production industries can be obtained at 10%.

## \$ 500 MILLION FOR PROJECTS IN KYRGYZSTAN



Executive Director of Eurasian Fund for Stabilization and Development in Kyrgyzstan Project Block Andrey Shirokov declared at a meeting with President Sooronbai Jeenbekov that implemented projects reached to \$ 500 million.

President Sooronbai Jeenbekov added: "It is necessary to note the positive experience of joint work of Kyrgyzstan and the Eurasian Development Bank. I am sure that today we will manage to outline plans for further fruitful cooperation". Andrey Shirokov noted that the fund has been working in

Kyrgyzstan for several years, implementing projects in the field of agriculture, transport and energy industry. He told: "The projects financed by the Eurasian Fund are included in the list of priority national projects of the country. We will begin financing of the project in the field of healthcare — a mobile hospital — in the near future".

Sooronbai Jeenbekov and Andrey Shirokov exchanged views on investment loans, grants and implementation of the Taza-Suu project.

## KAZAKHSTAN WILL EXPORT PETROLEUM PRODUCTS TO CENTRAL ASIAN COUNTRIES

The Minister of Energy of Kazakhstan Kanat Bozumbayev announced that in March 2019, the export of petroleum products - except diesel fuel - will be initiated. Bozumbayev said: "In the first quarter of this year, we will have an excess of gasoline, fuel oil, jet fuel. We assume to export oil products, mainly to the countries of Central Asia. You know, for many years, Kazakhstan was a net importer of oil products, despite the fact that we are an oil-producing country. But, as a result of the modernization of our refineries, we, firstly, expanded the range, secondly, the refining depth changed, thirdly, the quality of petroleum products moved to a completely different level, to K4 and K5 standards. It means that this year we will start exporting to our colleagues. Today in Almaty negotiations with Kyrgyz partners are being completed, next week the agreement will be discussed and ratified in Russia. As you know, the previous agreement banned export of petroleum products. Ratification will open the way for our petroleum products. Therefore, we assume that in March we will probably start exporting".



## KAZAKHSTAN'S EXPORTS OF AGRICULTURAL PRODUCTS TO TURKEY INCREASED BY 44.6%



Deputy Minister of Agriculture of Kazakhstan Gulmira Isayeva said that in 11 months of 2018 exports of agricultural products to Turkey was \$ 109 million with an increase by 44.6% compared to the same period of 2017. Isayeva said that Kazakhstan's exports of agricultural

products to priority countries, such as Turkey, China, Iran, Qatar, Kuwait, has increased. She added: "Last year from January to November, export of agricultural products to Turkey was \$ 6 million with an increase by 44% compared to the same period of 2017." Isayeva noted that 26% of products exported to Turkey consist of flour, frozen fish, meat, vegetable oils and other processed agricultural products. The rest consist of wheat, meat, oilseeds and other agricultural raw materials.

Isayeva highlighted the importance of cooperation in the veterinary services. She added: "We are working with Turkey's veterinary service, and this collaboration allows us to export meat products adequately".

She told that Kazakhstan's 11 million 778 thousand tons of agricultural products in 11 months of last year were worth of \$ 2 billion 660 million, and 3 million tons of it was processed agricultural products.

Isayeva said: "We want to learn to process meat and get Turkey's experience in manufacturing sugar."

Turkey is equipped with modern technology and Turkish investors in Kazakhstan expressed that they had great hopes for implemented projects in greenhouse.

## MORE THAN 8 MILLION TOURISTS VISITED KAZAKHSTAN IN 2018



As a result of Kazakhstan Tourism Ministry's efforts, the growth of inbound tourism was 10.2% in 2018. The an increase of 32% compared to 2015.

According to the preliminary data for 2018, 8,488,300 people visited Kazakhstan, which is 10.2% more compared to 2017.

The highest rise was in arrivals from target countries, such as the UAE (50%), India (49%), Malaysia (44%), Hong Kong (22%), Poland (16%) and South Korea (15%) and

the USA (5%). The arrival of citizens from Germany, Great Britain and other countries remained at the same level.

It is worth noting that last year the Ministry of Culture and Sports realized a program to select most significant tourist sites and to form the Kazakhstan Tourism Card, which included 60 objects and destinations. The selection criteria were the uniqueness of the object as a tourist magnet and the potential growth of tourist flow. Their historical and cultural significance was also taken into account.

## KAZAKHSTAN AIMS TO JOIN THE 30 MOST DEVELOPED COUNTRIES IN 10 YEARS



The President of Kazakhstan Nursultan Nazarbayev stated that the next 10 years would be a decisive period for the country to join the 30 most developed countries.

During the Nur Otan Party's 18th General Assembly, Nazarbayev said that since the country gained independence in 1991, foreign trade volume has increased by 9 times, personal income by 16 times, and \$ 320 billion foreign direct investment has been invested in Kazakhstan,. Nazarbayev noted that their activities should guide the national idea of basic components consisting of "national unity, competitive strong economy, intellectually developed society and a respected country in the world."

Nursultan Nazarbayev also emphasized: "We have a long-term strategy, natural resources and political will. State power, its economic development and improvement of the quality of public life are assessed dynamically. Therefore, I want to see the people's happiness, who are trusting me, today and not tomorrow"

## TAJKISTAN ATTRACTED \$ 645 MILLION FOREIGN DIRECT INVESTMENT IN 2018



Last year, foreign investors invested \$ 645 million to Tajikistan, of which more than half are direct investments. The State Committee on Investments and State Property Management of the Republic of Tajikistan reports that in

2018 Tajikistan attracted foreign investments in the amount of 6.1 billion somoni (\$ 645 million), of which 3 billion (\$ 326 million) are foreign direct investments. In general, currently 69 investment projects are being implemented in the republic which is in total 30.5 billion somoni (\$ 3.23 billion). Among them, 23 grant projects, 12 credit and 34 projects are with mixed financing.

From the beginning of implementation of these projects until January 1 of this year, half of the total amount, 15.5 billion somoni (\$ 1.64 billion), have been disbursed.

In particular, last year 3.9 billion somoni (\$ 418.6 million) have been disbursed, which is 96% of the planned volume. The implemented projects are financed by the Asian Development Bank (\$ 743 million), the World Bank (\$ 594 million), China Eximbank (\$ 467 million), the European Bank for Reconstruction and Development (\$ 403 million), the Islamic Development Bank (\$ 148.6 million) and by others.

## UZBEKISTAN PLANS TO OPEN REFRIGERATOR FACTORY IN DUSHANBE



Uzbekistan plans to open Artel refrigerator factory in Tajikistan, which was announced by the head of the State Committee on Investments and Property Management of Tajikistan Farrukh Hamralizoda on February 12th 2019.

According to the head of the Ministry of Tajikistan, the issue of opening the factory in Dushanbe is currently being resolved.

According to Hamralizoda, the products of the Uzbek company "Artel", which entered the Tajik market several

years ago, gained great popularity among the population. According to official data, in 2018, Uzbek businessmen invested \$ 5.35 billion to Tajikistan. According to the Tajik minister, the Uzbek investments are mainly in agriculture, poultry farming and gardening.

It should be noted that in September of the last year, a joint Kyrgyz-Uzbek enterprise was opened in the city of Osh, in South Kyrgyzstan, which produces washing machines under the Artel brand.

## RESIDENTS OF TAJIKISTAN WILL BE PERMITTED TO MINE GOLD

Residents of Tajikistan will receive permission from the authorities for the prospecting activities of individuals, allowing gold and precious metals to be mined, reports TASS, citing the Minister of Finance of Tajikistan Faiziddin Kahhorzoda. According to him, in the near future the draft resolution will be submitted for consideration by the Cabinet and will be adopted during the next meeting. At the moment, the document is under consideration by other departments and ministries.

In accordance with the document, every citizen of Tajikistan, after receiving permission from the Ministry of Finance, will be able to search for and extract precious metals. State financial institutions will be able to accept them at a cost set by the ministry.

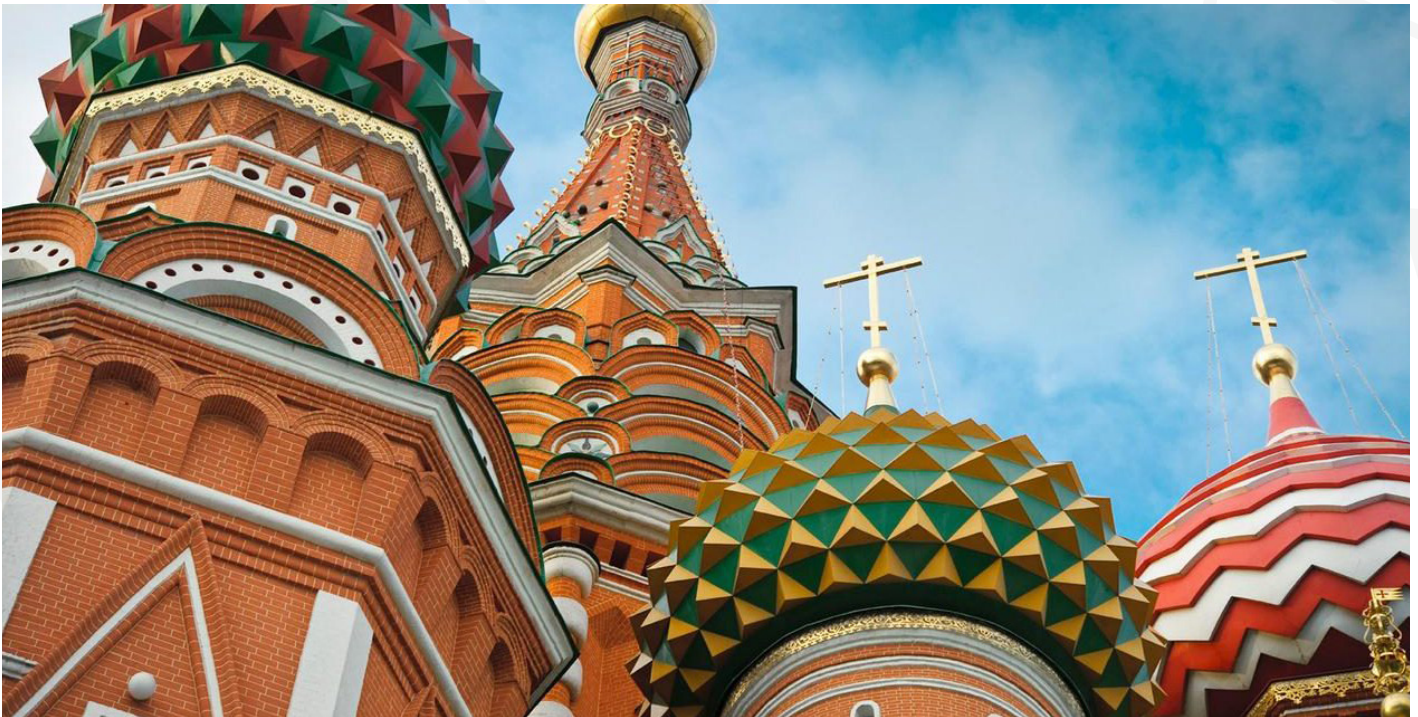
Today, only registered companies that are enrolled in the



state of prospectors can be engaged in mining of precious metals in the country. They are obliged to hand over everything that is reclaimed at a price established by the state.

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## TAJIKISTAN HAS BECOME THE MAIN MIGRATION DONOR TO RUSSIA



According to the Russia Federal State Statistics Service, Tajikistan has become the main donor country in migration to Russia for the first time.

Migration flow from Tajikistan exceeded by 31 thousand people, and every fourth legal immigrant arrived to Russia from Tajikistan in 2018. Kazakhstan is the second donor country with an increase of about 26.5 thousand, the Ukraine with more than 14.8 thousand. Compared to 2017, the influx from the Ukraine decreased by three times.

Ukraine has been the leader in the number of migrants who arrived in Russia for four years, since 2014.

Uzbekistan still leads in the number of migrants staying in Russia. According to the Interior Ministry, 4.5 million citizens of Uzbekistan were on migration registration, and 3.25 million were deregistered in 2018. Uzbekistan is followed by Tajikistan with 2.33 million registered migrants, and 1.33 million Tajiks were deregistered.



## TAJIKISTAN WILL INCREASE NATURAL GAS EXPORTATION FROM UZBEKISTAN



Tajikistan will increase the amount of natural gas imported from Uzbekistan by four times this year. Deputy General Manager of “Tajiktransgaz” Shavkat Shaimzade told reporters that his country bought 54 million

cubic meters of natural gas from Uzbekistan last year and this amount will be increased by 4 times this year.

He said Tajikistan plans to purchase about 200 million cubic meters of gas from Uzbekistan in 2019.

Shaimzade expressed that the agreement about the purchase of natural gas from Uzbekistan will be signed soon.

The Tajik authorities had previously paid 120 dollars to a thousand cubic meters of Uzbek natural gas.

After the normalization period after the cold relations between the two countries of 9 years, Tajikistan began to export electricity back to Uzbekistan and to import natural gas from Uzbekistan.

While 60 billion cubic meters of natural gas is produced annually in Uzbekistan, a significant portion of it is consumed within the country, and 10-12 billion cubic meters of natural gas is exported to China, Russia and other countries.

## WORK ON THE TAJIK SECTION OF THE CASA-1000 PROJECT HAS BEGUN



Tajikistan made an advance payment and foreign contractors have proceeded to preliminary work on the construction of the Tajik section of CASA-1000, which will

transfer Tajik and Kyrgyz electricity through Afghanistan to Pakistan and probably to India.

According to the Ministry of Energy and Water Resources of the Republic of Tajikistan, within the framework of the project, a Tajik section of the 500 kV AC power line and a converter substation at Sangtud will be constructed, which will be carried out by the Swedish company ABB and the Indian company Kalpataru Power Transmission Ltd.

According to the report, the Indian company has already received an advance payment and has begun preliminary work on the construction of the Tajik section of 500 kV AC power lines. Converter substation in Sangtud will be built by the Swedish company ABB. The Ministry of Energy noted that work on the project has also begun in other participating countries, i.e. Kyrgyzstan, Afghanistan and Pakistan as well.

Earlier it was reported that the total cost of the project is over \$ 1 billion. Project expenses are distributed as follows: Tajikistan \$ 314 million, Kyrgyzstan \$ 209 million, Afghanistan \$ 354 million and Pakistan \$ 209 million. International financial institutions, i.e. the World Bank (WB), the European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (IDB), the UK and others act as investors in Tajikistan. In particular, WB will allocate \$ 45 million, IDB -\$ 70 million, EBRD -\$ 110 million for the implementation of the Tajik section of this project.

## AFGHAN PRESIDENT VISITS TURKMENISTAN

The President of the Islamic Republic of Afghanistan, Mohammed Ashraf Gani, went to Ashgabat for an official visit.

The official visit began with an official ceremony by the President of the Republic of Turkmenistan, Gurbanguli Berdimuhamedov, at the Ashgabat Independence Square in the morning.

During the negotiations, it was emphasized that the security of the region could only be achieved as a result of an uncompromising struggle against terrorism and that both states were ready to maintain bilateral cooperation in this direction and to work together with international organizations. In this context, the importance of the UN Global Anti-Terrorism Strategy was highlighted.

During the talks, it was expressed that Turkmenistan and Afghanistan want to continue their struggle against drug trafficking, transnational crime and other illegal activities both bilaterally and multilaterally. It was also noted that Afghanistan's participation in major infrastructure projects in critical areas, such as energy, transport and communication, political stability, economic and social

well-being are essential for its successful integration into the regional and global economic relations. Within this framework, a year ago the construction of the Afghan section of the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline was launched, Turkmenistan-Afghanistan-Pakistan electricity lines and fiber optic communications were placed and Serhetabat-Torghundi railway was opened.

After the talks, a series of agreements and memorandums of understanding on cooperation and mutual assistance on customs operations, air traffic and international railway crossing on the Turkmen-Afghan border; improving cooperation in the oil and gas sector as well as increasing the export of Turkmen electricity to Herat province; cooperation between the National Archives of Afghanistan, the Institute of language literature and National manuscripts of Magdymguly, Turkmenistan Academy of Sciences and the National Archives of Afghanistan; cooperation between educational and scientific institutions were signed. Afterwards, the two leaders signed the Strategic Cooperation Agreement.

## TRADE VOLUME BETWEEN TURKMENISTAN AND UZBEKISTAN INCREASED BY 70% IN 2018

Akmaljon Kuchkarov, the Ambassador of Ashgabat in Uzbekistan, gave a speech to the foreign mission chiefs, media members and businessmen about the economic and commercial relations and investments between Turkmenistan and Uzbekistan.

In his speech, the Ambassador stated that the mutual trade turnover between Turkmenistan and Uzbekistan increased by 70% and reached 302 million dollars.

Stating that glass products, construction and building materials have an important place among the products exported by Turkmenistan to Uzbekistan, the Uzbek Ambassador stressed that in 2018, more than 25 joint ventures were launched by Turkmen businessmen, stating the increasing role of private entrepreneurs in the economy of Turkmenistan.

Ambassador Akmaljon Kuchkarov stated that Uzbekistan has developed policies to facilitate and encourage foreign investments. In 2019, he declared that he would not be satisfied with the protection of acquisitions and that the Turkmen-Uzbek multilateral cooperation and strategic partnership will further be developed successfully.

He said that cultural and humanitarian relations between Turkmenistan and Uzbekistan have also improved and, as an example, he showed Ashgabat Park and Magdymguly



Street in the capital of Uzbekistan in Tashkent, and last year's official visit of President Gurbanguli Berdimuhamedov to Uzbekistan. He also reminded the participation of Uzbek President Shavkat Mirziyoyev in the summit in Awaza (Turkmenistan) dedicated to the founding of the International Fund to Save the Aral Sea.

## REGIONAL WATER PROBLEMS WERE DISCUSSED IN TASHKENT



A High-level conference for EU-Central Asia Environment and Water Cooperation was held in Tashkent. The conference, which was the 6th conference this

year, was attended by experts from the European Union and Central Asian countries working in the fields of environment, climate change and water resources. At the meeting, a delegation headed by Peter Central, the Special Representative for Central Asia, was present.

The conference participants evaluated the progress made by the Central Asian countries in the area since 2015. The conference was organized by the EU-Central Asia Environment and Water Cooperation Platform. This platform carries out activities in areas such as environmental management, sustainable production and consumption, climate change and water management.

Earlier, Turkmenistan proposed to open a regional center on climate change related technologies in Central Asia. He has also undertaken a series of initiatives to improve the UN program and the United Nations Water Strategy to save the Aral Sea.

The State Water Management Committee was established with the decision of the President. The committee will represent the country's water diplomacy initiatives.

## LUKOIL HAS INCREASED GAS PRODUCTION IN UZBEKISTAN BY 67%



Russia's largest gas producer, "Lukoil" increased its natural gas production in Uzbekistan by 67% in 2018. This was helped by the launching of new gas treatment facilities of Kandym and Gissar in 2018.

As the company notes, in 2018, Lukoil produced 33.5 billion cubic meters of gas, which is by 16% more compared to the previous year. The main factor in the growth of gas production is the development of projects in Uzbekistan.

By 2020, the company intends to increase gas production in Uzbekistan to 18 billion cubic meters. "By that time, the company's investment in Uzbekistan will reach \$ 8 billion," the report says.

The Kandym gas processing complex in the Bukhara region, built by Lukoil for 3 billion 400 million dollars, was put into operation on April 19, 2018.

## UZBEKISTAN PLANS TO INCREASE IT'S GOLD AND URANIUM RESERVES

Uzbekistan predicts an increase in gold reserves by 474 tons in the country by 2020-2024 and rise in uranium up to 32 thousand tons. This is equivalent to \$ 18, 7 billion.

As noted in the draft concept of the development of the geological industry of Uzbekistan for 2020-2024, developed by the Uzbek Committee for Geology and Mineral Resources, the country intends to increase the gold and uranium reserves by increasing geological exploration.

The document notes that in 2019 gold reserves in the country will increase to 89.7 tons, and uranium reserves will increase to 6200 tons. The document provides the allocation of \$ 230 million for the research and evaluation of new gold deposits in the period from 2020 to 2024. 59 million dollars will be allocated for searching of uranium deposits.

Official data indicate that the current gold reserves of the country are about 6000 tons. Uranium reserves are 97,000 tons. The annual production of uranium is about 3,600 tons.



## TURKEY AND UZBEKISTAN WILL WORK TOGETHER IN GOLD AND TUNGSTEN MINING



The General Directorate of the Mineral Research & Exploration of Turkey signed an agreement with the Uzbek Committee for Geology and Mineral Resources regarding the exploration license for one tungsten and two gold mine fields in Uzbekistan.

The Turkish delegation, headed by the Deputy Minister of Energy and Natural Resources Mithat Cansız, met with Babur Islamov, the President of the Uzbek Committee for Geology and Mineral Resources, to discuss the cooperation between parties.

They also talked and agreed on the development of relations in the mining sector and Turkey's mining exploration operations in Uzbekistan.

Following the meeting, the General Directorate of the

Mineral Research & Exploration of Turkey and the Uzbek Committee for Geology and Mineral Resources signed the agreement on geological operations on the detection of gold and tungsten deposits at the Sarytau, Khurob and Aydim-Jetimtau fields in the Navoiy and Jizzakh regions of Uzbekistan and the implementation of the pilot production. The agreement was signed by Babur Islamov, the President of the Uzbek Committee for Geology and Mineral Resources, and Mr. Cengiz Erdem, the General Manager of General Directorate of the Mineral Research & Exploration of Turkey, and Mehmet Gökay Üstün, General Manager of the International Mining Corporation. At the signing ceremony, Ambassador of Turkey Mehmet Sureyya and Tashkent Embassy Undersecretary Kemal Özdemir were also present.

Making a statement to the Turkish press following the signing ceremony, Cansız stated that they signed an agreement on the exploration and exploration license of one tungsten and two gold mine fields in Uzbekistan and stated that these fields have a big potential in mining and natural resources.

Cansız stated that cultural and historical ties and recent high-level political relations with Uzbekistan have enabled the development of cooperation in the field of mining. Cansız added: "In the future, other mining resources especially in uranium, will be operating in Uzbekistan as well."

## UZBEKISTAN WILL EXPORT TEXTILES WORTH OF \$ 7 BILLION IN 2025



Uzbekistan, one of the world's leading cotton producers and exporters, aims to increase its textile products export to \$ 7 billion through processing all of the yarn produced in 2025.

President Shavkat Mirziyoyev has signed a decree stipulating the development of the textile, clothing and knitwear industry sector and the export potential of the country.

According to the decree, the Uzbek government aims to process all of the cotton produced in the country in its own textile factories and increase the export of textile products to \$ 7 billion in 2025 through recognition of various privileges to textile enterprises in the country in order to develop the textile sector in 2019-2025.

For this purpose, starting from April 1, a portion of the credit interest received by enterprises exporting at least 80% of the textile products produced in 2019-2025 will be covered by the State Fund for Supporting Entrepreneurship.

In 2018, Uzbekistan exported \$ 1.5 billion of textile products abroad, and this figure is expected to increase to \$ 1.9 billion in 2019.

While nearly 3 million tons of cotton is produced annually in Uzbekistan, which is the sixth in the world and fifth in cotton exports, 60% of this cotton is still exported. The Uzbek authorities had previously expressed their interest in developing the textile sector and gradually reducing the export of cotton abroad.

# UZBEKISTAN WILL BECOME A MAIN SUPPLIER OF LABOR FORCE BY 2030



World Bank declared that Uzbekistan is a country with a rapidly growing labor force that can be used to further promotion of the economic development of the country. According to the report, prepared by experts of the World Bank "Creating Markets in Uzbekistan: from Stability to Competitiveness", the working age population in Uzbekistan may increase by 4 million till 2030. The report

argues that "This will turn Uzbekistan into the fifth country in Europe and Central Asia (after Russia, Turkey, Ukraine and Poland) in terms of labor force growth". The report proposes to initiate a process of transition to market-based financial system and to support the development of rural credit in particular,

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