

PROJECT PROPOSAL
FOR THE CONSTRUCTION OF COOLING CHAMBERS FOR VEGETABLE AND
FRUIT STORAGE IN 2018-2020 y.

INITIATOR: Association “Uzbekoziqovqatzakhira”

BRIEF INFO ABOUT INITIATOR

Association "Uzbekoziqovqatzakhira" operates on the basis of Resolution of the President of the Republic of Uzbekistan №PR-3344 dd. 20.10.2017, whose main task is uninterruptedly provision of the first essential food products and seasonal fruits and vegetables all year round to the population and social sphere institutions of the Republic as well as fully execution the state order for procurement and storage in volumes necessary to stabilize prices and meet the needs of the population in the off-season period.

In this regard, and in order to provide the population of the Republic with first essential food products and seasonal fruits and vegetables all year-round without interruption, the "Uzbekoziqovqatzakhira" association proposes jointly implement prospective project to build vegetable storages and cold chambers in the regions of the Republic.

BRIEF DESCRIPTION OF THE PROJECT

In recent years, consistent work has carried out in the Republic to increase the volume of production and expand the range of food products to ensure food security of the country.

However, the lack of infrastructure for harvesting, laying and sale of fruits and vegetables as well as ineffective coordination of work in this area at places do not allow timely and fully forming the conditions for storage in necessary volumes to keep the prices stable and meet the needs of the population in the off-season period.

1. NAME OF THE PROJECT:

- Refrigerating complex construction focused on effective fruit and vegetables storage.

2. DESCRIPTION OF THE PROJECT:

- The refrigeration complex project includes the sandwich-structured composites, cooling system, mounting accessories and equipment, special doors, hydraulic ramps, dock shelter and regulated gas environment (RGE) and other parts.

3. AIMS OF THE PROJECT:

- Uninterruptedly providing the population of the Republic with basic types of food products and seasonal fruits and vegetables all year-round;
- Full execution of the state order on procurement and storing fruits and vegetables during winter and spring period;

- Prevention of price fluctuations of socially important food products in the domestic consumer market;

- Reduction of crop losses;

- New job places.

4. TASKS OF THE PROJECT:

- Introduction of modern technologies for fruits and vegetables storage based on international requirements;

- Increasing the volume of fruits and vegetables harvesting and storage;

- Uninterruptedly providing the population of the Republic with fruits and vegetables all year-round;

5. CAPACITY OF THE PROJECT:

- The project aims to implement a comprehensive project with a total storage capacity of **5,000 tons** of fruits and vegetables per turnover. Construction of 18 PCs of cooling chambers (dimensions 12.3m (L)*12,3m (W)*6,6m (H) storage temperature +/- 5) as well as **6** cameras (dimensions 11.2 (L)*12,3 (W)*6,6 (H)) with the RGE equipment.

6. INVESTMENTS DIRECTION:

- As per the project, attracted foreign direct investments will be used for construction and equipment, taking into account industrial and environmental safety, personnel education and training.

7. LOCATION:

- **Tashkent region.**

For reference:

The population of Tashkent region is more than 2.8 million people. The total area of the territory is 15300 km. The Annual production of fruits and vegetables in thousand tons:

- **Vegetables-2244,3;**
- Fruits-0,22;
- **Melons-162,3;**
- Beans-14,0;
- Grapes-0,17.

8. PERIOD OF REALIZATION:

- Construction of the project requires up to 6 months in order to completely launch the production. The project is planned to be implemented **in 2018-2020.**

9. BUDGET OF THE PROJECT:

- **1 637 000 USD** – fixed assets (building structures, construction of refrigeration complex and cooling equipment, construction works etc.)

- **600 000 USD** - working capital (purchase of raw materials for one turnover, for example apple - purchase in the season for 2000 sums, wages of workers, etc.)

- Estimated total project cost: **2 137 000 USD.**

For reference:

The data may change on the basis of market fluctuations at the time of purchase of fruits and vegetables. The total cost of the project can also be optimized after specific negotiations and amendments to the proposal.

10. PROJECT FINANCING SOURCES:

10.1. Realization of the project provides the following options:

- Joint realization with the interested investor;
- Attraction of preferential credit resources of foreign financial institutions;

10.2. Realization mechanism.

- Defining the equity participants (establishing JV etc).
- The project feasibility preparation;
- Registration of the project in the authorized local authorities;
- Obtaining a permit for the construction of a new refrigeration complex;
- Carrying out preliminary construction works (concreting, drilling, supply of communications, etc.)
- The beginning of construction of the refrigeration complex;
- Commissioning.

PROSPECTS OF COOPERATION

The objectivity of this project implementation rises from variety reasons: 1. Currently, agriculture industry in Uzbekistan is experiencing lack of infrastructure for storage, sorting and processing of fruits and vegetables;

2. The regions where the project planned to launch pose greater potential for production high-quality fruit and vegetables according to the annual production statistics;

3. The territory of the Tashkent region borders with Tajikistan and Kazakhstan and Fergana region with Kyrgyzstan and Tajikistan, which will create good conditions to export products to neighboring countries

4. Location of the project will benefit from logistics by buying products at low prices directly from the Fergana Valley eventually increasing the turnover of goods.

5. Based on the Decree of the President of the Republic of Uzbekistan No. PD-2460 dd. 29.12.2015, «Uzbekoziqovqatzakhira» association is one of the major executors for the construction of new modern refrigerating chambers for storage of fruits and vegetables in the amount of 325 000 tons, as well as the construction of logistics centers for processing, storage and transportation of fruits and vegetables in 2018-2020 period.

According to the above data, we can confidently state that the joint implementation of this project will provide an opportunity for interested investors to organize safe investment activities in the republic, whose rights are fully protected by legislative acts of the Republic of Uzbekistan.

Our association in **Ferghana, Andijan, Namangan and Tashkent regions** plans the implementation of similar projects between 2018-2020 yy.

CONTACTS

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