

COMPANIES OF LOCALIZATION

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Uzbek cars quickly gained popularity thanks to the optimal “price/quality” ratio and high level of localization of component assemblies and parts.

Most localized businesses are located in Fergana Valley, close to the «GM Uzbekistan». They produce more than 50% of the total number of component parts used in the assembly of cars and commercial vehicles.

Permanent monitoring of the implementation of investment projects and programs of modernization, technical and technological re-equipment of production until 2014, a program of measures to establish «Navoi» Free Industrial Economic Zone, on development of industrial potential of Kokand, localization projects in the production of automobile components in Namangan and Fergana regions, programs to create enterprises with foreign investment from «JV MAN Auto – Uzbekistan» have been undertaken in «Uzavtosanoat».

The implementation of all these projects and programs, total number of which has, since the founding of the Company, amounted to more than 35, was carried out in accordance with relevant decrees of the President and the Cabinet of Ministers of Uzbekistan.

The Working Group, responsible for its implementation, regularly reviews the performance at its meetings, exploring the complex implementation of government decisions, identifies weaknesses and problematic issues for a period of time and ensures quality assigned to the domestic auto industry plans within the framework of large-scale economic reforms.

The main purpose of the implementation of the State Program of localization of the Uzbek domestic production is to increase the proportion of local raw materials in the production of finished products and components. Companies that fall into localization program in Uzbekistan have obtained a number of tax and customs privileges, that have given them the opportunity to increase the competitiveness of their products thanks to a significant reduction in production costs.

According to the localization program for 2013, output provided by the 51 projects of “Uzavtosanoat” joint stock company totaled to 6864.4 bln. UZS, though the forecast had been 6.2137 bln. UZS (110.5%). Revenue from the products sold amounted to 6994.8 mln UZS, including export - 677.03 million US dollars. 96 new jobs were created within the framework of this program.

Within the framework of localization program, production of goods totaling to 173,3 bln UZS on 17 projects is planned in 2015.