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Uzbekistan Retail Foods Report

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Retail Foods

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Report Highlights:

Uzbekistan is a country of 30 million with growth of 8 percent and a growing urban population. Infrastructure developments and a growing number of modern retail outlets are improving the marketability of U.S.-style food, which is increasingly popular among Uzbekistan's younger generation. Currency convertibility and remoteness to the U.S., however, lead the challenges to marketing in Uzbekistan.

SECTION I MARKET SUMMARY

Uzbekistan relies on imports of certain food products which are not locally produced in sufficient volumes, in order to meet the country's growing demand. The leading imported food products are cereals, sugar, vegetable oil, meat, wheat flour, and tea. In 2013 Uzbekistan's food imports were 9.7 percent (US\$ 1.34 billion) of country's total imports. According to the latest state statistics, the local industry produced US\$12.9 billion of agricultural products in 2013, of which US\$ 7.7 billion is crop production (mainly cotton, wheat, fruits and vegetables), and US\$ 5.2 billion is livestock and poultry production.

(Official exchange rate: US\$1.00 = 2,384 Uzbekistan Sums)

The leading 2013 exporters of agricultural/food products to Uzbekistan were Kazakhstan (US\$ 223.7 million), Russia (US\$ 75.6 million), China (US\$ 47.9 million), and Poland (US\$ 39.4 million).

Foods and beverages from local producers, Commonwealth of Independent States (CIS) and EU countries dominate the shelves of the country's retail outlets. This is due to reasonable transportation charges, existing business ties, and the fact that legal food requirements, in most cases, are the same within CIS. Despite the challenges, there are market opportunities for the United States, particularly in food products which do not compete with locally produced foods, and in the premium quality sector.

In 2013, the Uzbekistan food retail sector grew 13 percent in value compared to 2012, and sales reached US\$ 7.95 billion (excluding sales tax). With the current development of the economy, a slight increase in growth of 4.3 percent is forecast for 2014.

In total, more than 50,000 retail outlets were reported in 2013 which is an increase of 3 percent from 2012. The number of outlets is expected to increase further in 2014.

Food grocery retailers are actively developing in Uzbekistan. First, consumers' growing disposable income is creating increased demand for a variety of grocery products. Second, nowadays consumers are buying more frequently those food items which used to be less affordable. As a result, sales of grocery food products are increasing.

Independent small retailers remained the largest channel within the grocery retail sector, accounting for 46 percent of total retail sales.

Food/drink/tobacco specialists recorded the highest growth of retail value sales in 2013 by 24 percent.

Economy

With a population of over 30 million, Uzbekistan is one of the important emerging markets in Central Asia for U.S. agricultural products. The Government of Uzbekistan (GOU) reports that real GDP growth averaged 8.2 percent in 2012, and 8 percent in 2013. The GOU will continue to support growth through policies that boost domestic consumption and investment under its industrialization program. External and fiscal positions will remain strong. The GOU forecasts that GDP will grow by 8.1 percent in 2014. The structure of Uzbekistan's economy is changing as the shares of industry and services in GDP increase and the relative share of agriculture decreases.

Table 1. Uzbekistan's Consumer Expenditures in US\$ Million Per Capita - Value at Current Prices

	2009	2010	2011	2012	2013
Consumer expenditures	18,425.6	19,692.3	22,019.2	24,998.1	27,286.8
Consumer expenditures on food and non-alcoholic beverages	5,830.5	6,177.2	6,864.5	7,745.3	8,410.2
Consumer expenditures on alcoholic beverages and tobacco	474.3	505.1	562.9	636.3	692.3

Source: Euromonitor International

Table 2. Summary of the Key Opportunities and Challenges for the Market

Advantages/Opportunities	Challenges/Constraints
Urban population growing, boosting demand for local and imported food products.	Difficulties in identifying potential local importers for U.S. ag products; continuing problems with local currency convertibility.
U.S.-style food, especially fast food, is popular among the younger generation.	Existing corruption patterns in the banking system, as well as among customs and tax authorities impede imports.
Expanding infrastructure, improving distribution system, major importers have English speaking staff.	Disposable incomes are low, making access to higher priced imports difficult.
Only fresh water fish production (Double landlocked country), seafood needs to be imported.	Lack of national biotechnology regulations and a possible tendency in future to follow the EU's and/or Russia's lead.
Continued growth in Uzbekistan's food processing industry requires raw material and ingredient imports.	Uzbek consumers demand quality at low prices.
U.S. products are regarded as high quality and safe.	Lack of familiarity with the U.S. certification and inspection procedures.
Modern retail outlets increase opportunities for U.S. products.	Food marketing and retail sectors are oriented towards CIS and Europe.
Hotels, restaurants, and institutional services increasingly demand imported food products.	Slow process in switching to full market economy and liberalization may remain an obstacle in removing trade barriers and disrupt some trade and economic activities.

Retail Sales and Outlets

Uzbekistan’s total retail food sales in 2013 reached US\$ 7.94 billion, representing growth of 13 percent compared to 2012. Relatively stable economic growth prospects should help maintain growth in the food retail sector and food retail sales in 2014.

Table 3. Uzbekistan Food Retail Total: Value Sales, Outlets and Selling Space

	2009	2010	2011	2012	2013	2014*
Value sales US\$ million	6,447	6998	7523	8,506	8994	8204
Outlets	45,691	46,614.0	47,743	49,013	50,370	51,848
Selling Space '000 sq m	3,784	3,948	4,134	4,288	4,436	4,590

Source: Euromonitor International

*2014 Forecast

Despite rapidly developing supermarket retail networks in big cities, independent small grocers remain the largest channel in the grocery retailer sector, accounting for 46 percent of total retail sales. This is explained by the history of Uzbekistan’s retail market development, where there were no major investors, and food retailing was supported by a lot of independent small operators. This led to a tremendous increase in number of independent small retailers compared to other outlet types.

Traditional grocery shops in Uzbekistan are usually small in size and employ fewer than 5-6 people. Normally, Uzbekistan consumers shop for food daily, and much of the shopping is still done in traditional markets, including farmers markets (bazaars) and small grocery stores. At the same time, supermarkets in larger cities are becoming more popular among consumers. The total number of supermarkets has increased by 20 percent over the last 5 years and reached 1,528 outlets in 2013. The retail sales share of supermarkets is expected to continue to increase in the future. Many existing supermarkets in Uzbekistan have successfully tapped the fresh food market by offering foods at relatively competitive prices and providing a comfortable shopping environment.

Import Regulations

The Ministry for Foreign Economic Relations, Investment, and Trade (MFERIT) requires all Uzbek state-owned enterprises engaged in export/import operations to be registered as participants in international trade relations. Uzbek companies or individuals are allowed to conduct trade with foreign enterprises directly or through foreign trade agents.

On October 1, 2003, preliminary registration of import contracts by MFERIT was abolished. However, the following import contracts shall still be subject to examination by the Ministry:

- Those funded from the state budget;
- Those funded from credits (loans) attracted by the GOU or under its guarantee; and
- Those concluded by economic sectors in whose authorized capital the public share constitutes

over 50 percent and which are not secured by their own currency resources.

An importer must prepare and provide to the proper authorities the following documents:

- Contract;
- Certificate of conformity for certain products, the list of which is defined by the Cabinet of Ministers;
- Certificate of origin;
- Certificate of registration of the contract with MFERIT and/or contract with the seal indicating registration with an authorized bank;
- Passport of an import deal (a document describing a contract on import and its terms, signed by the importer, a bank, and a customs officer);
- Certificate of the availability of funds in either foreign or domestic currency that would have no liabilities or a guarantee of an authorized bank, according to the established form, which confirms an importer's ability to pay for a contract;
- Cargo customs declaration;
- Commercial invoice;
- Phytosanitary and veterinary certificates (issued in required cases by authorized bodies according to the established procedure);
- License (for goods subject to licensing) and, in necessary cases, permission from authorized banks.

Import Duties

Import taxes include:

- Customs duty and levy,
- Value Added Tax (VAT),
- Excise tax (as applicable),
- Customs clearance fee.

Customs duties for imported goods vary from 0-200 percent (depending on classification), but on average, the rate is no higher than 30 percent. For example, no customs duties are applied to imported live animals, milk and cream, or wheat; 10-30 percent duties are applied to clothing and foodstuffs; and 50 percent duties are applied to luxury consumer goods such as cigarettes and cars. The highest customs duty is levied on imported ice-cream products. The following categories of imported goods are indefinitely exempt from custom duties:

- charter fund contributions for private enterprises, provided that these are not further sold or otherwise disposed of;
- goods imported by enterprises with foreign investment for their own needs;
- goods imported by foreign investors for their own production and personal use, and for the personal use of their foreign citizen employees;

- goods imported under a temporary importation regime;
- goods imported to process for further export; and
- goods imported for statutory needs.

Excise tax, charged as a percentage of the declared customs value, must be paid on certain products, such as cigarettes, vodka, and ice-cream. Excise tax rates vary depending on the type of imported goods and may deviate significantly.

The VAT rate on imports is 20 percent for all goods. VAT is based on a rate that includes the declared customs value plus customs duties and excise taxes (if applicable).

The customs clearance fee is 0.2 percent of the declared customs value, although interpretation of the value varies widely, and officials sometimes see this fee as a rent-seeking opportunity. In December 2012, the GOU passed a new customs law, according to which exporters are required to present a stamped customs declaration confirming the value of imported goods. This law, which went into effect as of April 1, 2013, is widely contested internationally because it violates WTO rules. MFERIT announced that they have amended the law to comply with WTO regulations, but exporters continue to complain about Uzbekistan customs officials requiring these documents.

Currency Convertibility

The GOU practice on currency conversion is a serious impediment to international commerce, as buyers in Uzbekistan often cannot get the hard currency required to make purchases.

Sanitary and Veterinary Regulations

Uzbekistan's Plant Quarantine Act (PQA) is based on the old Soviet model and generally conforms to the recommendations of the FAO International Plant Protection Convention (IPPC), as well as the rules and regulations of neighboring countries. Uzbekistan revises its PQA periodically to conform to developments in Plant Protection and Plant Quarantine (PPPQ). Uzbekistan bans the import of certain seeds and planting materials to protect domestic agriculture from exotic pests and diseases. Seed imports must comply with minimum international quality standards. U.S. phytosanitary certificates are accepted by Uzbekistan for wheat, rice, soybeans, and other bulk commodities.

The GOU issues veterinary certificates for export, import, and transit of commodities under control of the State Veterinary Department. These regulations are based on requirements of the International Veterinary Codex. In accordance with these new regulations, the following documentation is necessary for importing and exporting agricultural commodities:

- A veterinary certificate issued by district/city veterinary departments for exported goods and by the Frontier Veterinary Control Post for importing goods;
- A veterinary certificate issued by the Frontier Veterinary Control Post for exported products and the veterinary service of the exporting country for imported goods.

A permit for import, export, or transit is issued by the General Veterinary Inspector of Uzbekistan or by his/her deputy.

Food Labeling

Uzbekistan has no uniform system of labeling. However, in accordance with Uzbek legislation on protection of consumer's rights, all products sold in the country must contain the following information in the Uzbek language:

- Name of the product;
- Manufacturer's name and contact information;
- Ingredients and 'best before' date (if applicable);
- User's manual (if needed); and warnings (if any).

In addition, it should be noted that these labels cannot be added to the product in Uzbekistan and must instead be affixed at the point of manufacture/processing.

Labeling for Biotech Food

Uzbekistan currently does not have any specific biotechnology regulations with regard to the labeling of biotech food products. It makes no distinction between conventional and biotech foods. All are subject to the same food safety regulation. But, still one can see some Russian imported packaged food items in stores, which may contain biotech labeling information. Uzbek consumers generally do not pay much attention to whether their food contains GE or not. However, Uzbekistan's related authorities have been working on a draft biotech law over the past several years. Post does not expect that this law will be adopted within the next few years.

Table 4. Sales in Grocery Retailers by Channel: Value 2009-2014

	2009	2010	2011	2012	2013	*2014
UZS Billon, retail value excl sales tax						
Modern Grocery Retailers	2,560.4	2,998.6	3,495.4	4,365.7	4,989.9	5,212.5
- Convenience Stores	-	-	-	-	-	-
- Discounters	-	-	-	-	-	-
- Forecourt Retailers	106.2	129.8	155.3	201.8	239.0	253.8
-- Chained Forecourt Retailers	-	-	-	-	-	-
-- Independent Forecourt Retailers	106.2	129.8	155.3	201.8	239.0	253.8
- Hypermarkets	-	-	-	-	-	-
- Supermarkets	2,454.2	2,868.9	3,340.2	4,163.9	4,751.0	4,958.7
Traditional Grocery Retailers	7,258.1	8,520.3	10,008.1	12,408.3	13,951.0	14,521.3
- Food/Drink/Tobacco Specialists	1,589.2	1,872.2	2,180.6	2,778.4	3,444.3	3,703.7
- Independent Small Grocers	4,363.2	5,027.8	5,879.6	7,320.6	7,783.7	7,937.3

- Other Grocery Retailers	1,305.7	1,620.3	1,947.9	2,309.2	2,723.1	2,880.4
Grocery Retailers	9,818.5	11,518.9	13,503.5	16,773.9	18,941.0	19,733.8

Source: Euromonitor International *2014 Forecast

Table 5. Grocery Retailers Outlets by Channel: Units 2008-2013

Outlets	2009	2010	2011	2012	2013	2014*
Modern Grocery Retailers	2,448.0	2,638.0	2,875.0	3,089.0	3,282.0	3,457.0
- Convenience Stores	-	-	-	-	-	-
- Discounters	-	-	-	-	-	-
- Forecourt Retailers	1,231.0	1,360.0	1,499.0	1,630.0	1,754.0	1,863.0
-- Chained Forecourt Retailers	-	-	-	-	-	-
-- Independent Forecourt Retailers	1,231.0	1,360.0	1,499.0	1,630.0	1,754.0	1,863.0
- Hypermarkets	-	-	-	-	-	-
- Supermarkets	1,217.0	1,278.0	1,376.0	1,459.0	1,528.0	1,594.0
Traditional Grocery Retailers	43,243.0	43,976.0	44,868.0	45,924.0	47,088.0	48,391.0
- Food/Drink/Tobacco Specialists	1,728.0	1,823.0	1,910.0	1,996.0	2,081.0	2,164.0
- Independent Small Grocers	25,435.0	25,821.0	26,334.0	26,980.0	27,708.0	28,556.0
- Other Grocery Retailers	16,080.0	16,332.0	16,624.0	16,948.0	17,299.0	17,671.0
Grocery Retailers	45,691.0	46,614.0	47,743.0	49,013.0	50,370.0	51,848.0

Source: Euromonitor International

*2014 – Forecast

Table 6. Grocery Retailers Company Shares: % Value 2009-2013

% retail value rsp excluding sales tax	2009	2010	2011	2012	2013
Anglesey Food SHK	0.2	0.3	0.5	0.7	0.7
Legion ShK	0.1	0.1	0.2	0.2	0.2
Toshkentvino OJSC	-	0.1	0.2	0.2	0.2
Beijan Trade MChJ	-	-	0.2	0.2	0.2
Saf Savdo MChJ	0.1	0.1	0.1	0.1	0.1
Chorsu Savdo Markazi OAJ XK	0.3	0.3	0.1	0.1	0.1
Sharq-Mir MChJ XK	0.2	0.2	-	-	-
Others	99.0	98.8	98.7	98.5	98.4
Total	100.0	100.0	100.0	100.0	100.0

Source: Euromonitor International

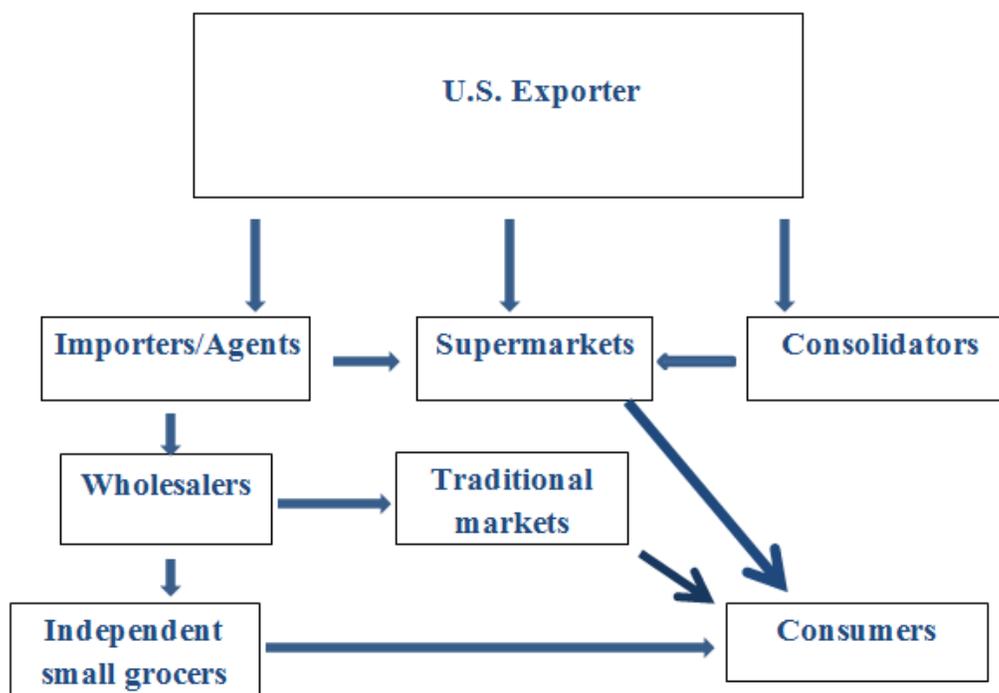
SECTION II ROAD MAP FOR MARKET ENTRY

A. Market Structure

Market Entry Strategy

The following factors should be considered in developing a market entry strategy:

- **Importer Solvency:** Currency exchange for certain types of imports is still limited, but some importers may have offshore accounts, or they may have their own dollars from export revenue. Businesses should confirm cash flows and solvency of potential partners, clients, and customers.
- **Building Relationships:** The government and public sector are the major importers of goods and services, but their procurement procedures are not always transparent. It is important to build relationships, as appropriate, with key officials responsible for procurement decisions. Employing a local representative or sales agent and visiting trade partners (especially in the initial stage of negotiations) is strongly advised.



MODERN GROCERY RETAILERS

Supermarkets

There are no hypermarkets in Uzbekistan. The largest grocery retailers are two big malls in Tashkent City and numerous supermarkets, which continue developing due to increasing living standards and rising consumer potential. The first supermarkets opened in Uzbekistan were usually considered a premium type of outlet which offered products at slightly higher prices. But, nowadays the trend has changed more positively, because consumers think that supermarkets offer comfort, satisfaction and a wide variety of products in one place. Moreover, launching new features such as late opening hours or even 24-hour operations have made supermarkets more attractive, even for middle income families.

During Soviet times, there were only small and medium sized grocery stores available across the country for sales of food products. These were outlets offering food products for daily consumption.

After gaining independence in 1991, Uzbekistan's private sector began developing rapidly. As a result, within the next 10-15 years after independence, many private retailers, supermarkets and small grocers appeared in the country. Presently, supermarkets are the main representative in modern food retailing.

As of early 2014 there were more than 1,530 supermarkets throughout the country.

There are two dominant supermarket chains in Uzbekistan: Anglesey Food (22 outlets) and Beijing Trade (7 outlets). **Anglesey Food** is one of the biggest local holding companies successfully developing its supermarket business. It consists of numerous independent retail outlets, all under chain retailing. In supermarkets and non-store retailing, the company is well-known under the Korzinka.uz brand. Its

main business is retailing and it focuses mainly on daily consumption products such as fresh fruits and vegetables, packaged food, beverages, semi-ready food products, as well as home care items.

Anglesey Food's priority is expanding its coverage nationwide. In 2013, Korzinka.uz was the leading player in both grocery retailing and internet retailing. It accounted for 3 percent of total retail sales of the fragmented supermarkets channel, and 50 percent of non-store retailing, particularly internet retailing.

Starting 2013, Korzinka.uz implemented extended operating hours in its supermarkets until 11 pm. In 2013, the company updated its customer loyalty program, introducing family cards allowing the use of discount cards for all family members.

The second largest local company after Anglesey Food active in supermarket chains business is **Beijan Trade**, which owns the two largest malls: "Mega Planet" which was constructed in Tashkent city in 2010, and "Samarkand Darvoza" which was opened in 2014. Beijan Trade also has 4 supermarkets under the MAKRO brand.

The increasing popularity of malls and supermarkets in Uzbekistan is fueled in part by the fact that many state employees get paid via debit cards that can only be used to make payments in registered shops; not to withdraw cash or shop in cash-only bazaars. This development has driven shoppers into official outlets, especially supermarkets, thus reducing trade in Uzbekistan's traditional bazaars (farmers market).

Trends in Promotional/Marketing Strategies

- Increasing demand for promotion packages and discounts: Uzbek consumers are very price sensitive. Marketing tactics such as selling larger economy packs or enclosing complimentary samples are increasingly used to stimulate sales, particularly in big supermarkets. The most direct and effective marketing tool is to offer discounts.
- In face of strong competition, major supermarket stores often offer discounts and tend to transfer the cost to suppliers by requesting lower prices for supplies. Given supermarkets' strong bargaining power as they have many retail outlets, many suppliers have to give supermarkets special discounts which ordinary retailers do not enjoy.
- Internet direct sales of food: Few supermarkets like Korzinka.uz and Macro offer grocery shopping over their websites. However, the service is reportedly not attracting a lot of interest, due to the convenience of shopping in Uzbekistan and the cost of delivery. In addition, many consumers still prefer to go themselves to supermarkets and make their shopping on spot, physically seeing food items they buy and checking quality and freshness, especially if they are buying meat or dairy products.

Inside of Korzinka supermarket in Tashkent city



Convenience Stores and Forecourt Retailers

There are no convenience stores nor chained forecourt retailers in Uzbekistan. Independent market analysts believe that this is due to the absence of interested potential investors owning chains of outlets. The existing forecourt retailers are owned by independent retailers who do not have appropriate funding or experience to establish chains of forecourt retailers. In 2013 forecourt retailers accounted for only UZS239 billion.

The low number of forecourt retailers is attributed to the absence of attractive stop-by outlets at gas stations, their poor product variety, and mainly, operators' focus on sales of fuel rather than retailing. Besides, a huge number of independent small groceries in cities, including areas around gas stations are one of the reasons forecourt retailers are not popular.

Discounters

As of today discounters are not present in Uzbekistan. Consumers interested in lower prices normally shop at open bazaars, including wholesale bazaars where usually one can bargain easily. In addition, official retailing is still in development stage, so therefore many existing retailers are not ready yet to offer discounters' service.

TRADITIONAL RETAILERS

Traditional retailers in Uzbekistan include mainly independent small groceries, food/drink/tobacco specialists and other grocery retailers.

Independent Small Groceries

Independent Small Groceries remain the biggest channel within food retailers accounting for almost 46 percent of total retail sales in 2013. Most independent small groceries are conveniently located in almost every neighborhood. Therefore, this large number of outlets are easily accessible and convenient,

and frequently visited by consumers. Although most of these outlets do not have a wide variety of product assortment compared to modern supermarkets, consumers still normally find most necessary and basic food items there. However, prices in small groceries are usually slightly cheaper compared with supermarkets.

Food/Drink/Tobacco Specialists

Food/drink/tobacco retailers showed the increased growth of retail sales in 2013 by 24 percent. Such considerable growth is connected with the local legislation system. In 2011, according to special State Program on supporting youth, GOU started its anti-tobacco and anti-alcohol campaigns dedicated to restricting advertisement and marketing of tobacco and alcohol products. In spring 2012, GOU adopted an additional decree setting up harder rules to retail sales of alcohol products. According to this decree, all alcohol retail outlets not meeting requirements such as being located at least 500m far from educational institutions, have specific interior, minimum selling space and dedicated payment terminals, were all liquidated. In addition, later in 2012 GOU adopted one more amendment to the previous decree regulating sales of alcohol products, by identifying beer as an alcohol beverage. This decision eliminated sales of beer by any independent small retailers, supermarkets and other outlets which were all usually involved in sales of beer in the past. So, after this decree, sales of all alcohol products including beer are strictly handled only by licensed drink specialist retailers.

One of traditional local bazaars (Dried fruits/nuts sellers)



SECTION III. COMPETITION

Uzbekistan's total food (raw and processed food including agricultural, fishery commodities) and beverages imports in 2013 accounted for \$1.3 billion of which the U.S. share was only \$5.5 million (0.41%). Among leading exporters of agricultural/food products to Uzbekistan in 2013 were Kazakhstan (\$223.7 million), Russia (\$75.6 million), China (\$47.9 million), Poland (\$39.4 million), Ukraine (\$29.6 million), Brazil (\$29.0 million) and Belarus (\$21.5 million).

Major import items from the United States included tobacco, planting seeds, pork, poultry meat, eggs and some other consumer oriented products. Long transportation time lags for U.S. commodities and heavy CIS/EU orientation for a large segment of the Uzbekistan food marketing limit food imports. Despite the challenges, there are some market opportunities for the United States, particularly in food products which are not locally produced.

Despite of its increased wheat production over the past 4-5 years, Uzbekistan remains a large net importer of wheat and wheat flour mainly from Kazakhstan (about \$200 million in value). Also, within the past 2-3 years, despite developing local livestock and poultry industry, Uzbekistan increased imports of some meat products in order to cover rising local consumption demand. Main imported meat products in 2013 included frozen beef, pork and poultry products from Poland (\$25.4 million), Netherland (\$3.7 million), Ukraine (\$3.3 million), U.S. (\$2.5 million) and Brazil (\$1.2 million). So, there is some small market for high quality U.S. beef and pork, particularly for some restaurants and international hotel operators.

Over the past 5-6 years the number of domestic dairy producers increased, which creates difficult marketing conditions for international manufacturers since the import tax is very high. However, the quality of local products is not high enough to compete with international companies. So, there is a market niche for high quality dairy products which are supplied by international manufacturers. Major suppliers of dairy products to Uzbek market are New Zealand, Turkey, Russia, Lithuania and Germany.

Table 7. Uzbekistan major food imports by countries of origin (2012-2014)

Commodity	Imports from the World Mln USD 2012-2014	Major Supplying Countries	2012 Value Mln USD	2013 Value Mln USD	2014 Jan-Aug Value Mln USD
Vegetables	2012 - 7.86	Netherlands	3.5	8.5	13.2
	2013 - 11.72	Vegetables	0.7	0.9	0.4
	2014- 14.63	Turkey	0.02	0.03	0.1
		United States	0.0	0.01	0.1
		Ukraine	0.03	0.1	0.05
		Canada	0.0	0.27	0.0
		China	0.18	0.09	0.23
		Iran	0.04	0.49	0.0
		Kazakhstan	3.39	1.33	0.55

Meat	2012 -16.91	Netherland	1.9	3.7	3.8
	2013 -43.26	Poland	4.7	25.4	22.5
	2014 - 46.4	Turkey	2.9	0.4	0.5
		United States	0.0	2.5	0.6
		Ukraine	1.3	3.3	8.4
		Belgium	1.1	1.4	1.8
		Brazil	0.6	1.2	1.9
		Meat	0.0	0.0	0.14
		Denmark	0.0	0.0	0.11
		France	0.17	0.43	0.36
		Germany	1.9	1.2	3.4
		India	1.67	3.43	2.67
		Latvia	0.03	0.09	0.06
		Lithuania	0.64	0.21	0.16
Misc. Grain, Seed	2012 - 17.38	Netherland	3.8	4.2	3.7
	2013 - 21.47	Russia	0.3	0.02	0.4
	2014 - 26.91	Serbia	0.3	0.6	0.3
		South Korea	0.02	0.05	0.1
		Turkey	0.1	0.2	0.5
		United States	0.1	0.2	0.1
		Ukraine	2.0	1.8	1.0
		Czech Republic	0.16	0.12	0.31
		China	0.02	0.1	0.44
		Denmark	0.15	0.43	0.43
		France	0.71	0.71	0.76
		Germany	0.43	0.81	0.87
		Italy	0.09	0.13	0.2
		Kazakhstan	9.2	12.1	17.8
Palm Oil & Its Fraction	2012 - 4.46	Malaysia	3.8	5.2	16.2
	2013 - 5.2	Ukraine	0.1	0.0	0.0
	2014 - 16.2	China	0.19	0.0	0.0
		Iran	0.37	0.0	0.0
Coconut, Babassu Oil, Etc,	2012 - 3.75	Malaysia	2.4	2.9	3.7
	2013 - 2.9	Ukraine	1.0	0.0	0.0
	2014 - 3.7	Indonesia	0.35	0.0	0.0
Baking Related	2012 - 11.05	Malaysia	0.5	0.9	2.8
	2013 - 13.41	Russia	5.2	4.7	8.3
	2014 - 21.6	South Korea	0.4	0.2	0.5
		Switzerland	0.0	1.8	3.2
		Turkey	0.2	0.3	0.2
		Ukraine	3.1	3.8	5.1
		Austria	0.03	0.05	0.1
		Belarus	0.06	0.1	0.08
		China	0.53	0.03	0.02
		France	0.41	0.3	0.24

		Italy	0.25	0.89	0.55
		Kazakhstan	0.34	0.28	0.23
		Latvia	0.03	0.06	0.14
		Lithuania	0.0	0.0	0.14
Veg Fats & Oils, Hydrogen Etc,	2012 - 2.3 2013 - 2.6 2014 - 2.4	Malaysia	2.3	2.6	2.4
Miscellaneous Food	2012 - 14.34 2013 - 15.42 2014 - 20.94	Malaysia	0.7	0.3	2.4
		Poland	0.2	0.6	0.7
		Russia	3.1	3.6	4.3
		Serbia	0.1	0.1	0.0
		Singapore	0.03	0.06	0.1
		Slovenia	0.3	0.3	0.4
		South Korea	0.8	0.6	0.8
		Spain	0.0	0.05	0.9
		Turkey	0.6	0.5	0.5
		Unites States	0.03	0.2	0.06
		Ukraine	0.3	0.3	0.6
		Austria	1.0	1.0	1.7
		Brazil	0.02	0.1	0.1
		Czech	0.11	0.05	0.02
		China	3.6	4.4	4.2
		Estonia	0.95	0.03	0.0
		France	0.0	0.01	0.14
		Germany	0.37	0.98	1.17
		India	0.47	0.34	0.97
		Iran	1.58	1.7	1.3
		Ireland	0.03	0.17	0.21
		Latvia	0.05	0.0	0.13
		Lithuania	0.0	0.03	0.24
Margarine; Edible Mixtures Etc,	2012 - 16.24 2013 - 19.71 2014 - 17.11	Malaysia	3.2	7.6	1.9
		Russia	9.2	9.5	11.8
		Sweden	0.0	0.04	0.2
		Turkey	1.4	0.9	1.0
		Ukraine	0.9	0.8	0.3
		Azerbaijan	0.2	0.2	0.2
		Indonesia	0.24	0.06	1.5
		Kazakhstan	1.1	0.61	0.21
Cocoa	2012 - 6.56 2013 - 10.86 2014 - 14.11	Malaysia	1.2	0.7	0.3
		Nigeria	0.0	0.0	0.0
		Poland	0.3	0.8	1.0
		Russia	0.4	1.4	4.9
		Singapore	0.1	0.08	0.04
		Spain	0.1	0.5	0.4
		Turkey	2.0	2.7	2.9
		Ukraine	1.2	2.0	1.8

		Azerbaijan	0.1	0.2	0.5
		Cocoa	0.05	0.0	0.13
		Estonia	0.0	0.0	0.29
		Germany	0.25	0.41	0.55
		Italy	0.76	1.67	1.06
		Kazakhstan	0.06	0.32	0.19
		Latvia	0.04	0.08	0.05
Dairy, Eggs, Honey	2012 - 12.07	New Zealand	3.5	3.4	2.3
	2013 - 18.04	Poland	0.3	0.4	0.7
	2014 - 20.79	Russia	1.0	1.3	1.2
		Turkey	1.3	2.3	3.3
		United States	0.3	0.1	0.0
		Ukraine	0.6	1.1	1.8
		Finland	0.0	0.0	0.2
		Belarus	0.6	0.1	0.0
		Belgium	0.0	0.0	0.18
		Czech Republic	0.51	0.47	0.14
		China	0.11	0.0	0.0
		Estonia	0.23	0.2	0.0
		France	0.55	2.9	6.0
		Germany	1.6	1.5	1.7
		Iran	0.06	0.4	0.47
		Kazakhstan	0.21	0.39	0.33
		Latvia	0.0	0.56	0.24
	Lithuania	1.2	2.92	2.23	
Live Trees and Plants	2012 - 9.47	Poland	4.0	5.8	2.2
	2013 - 15.11	Serbia	0.3	0.0	0.0
	2014 - 9.79	Turkey	0.6	2.3	2.3
		Ukraine	0.4	0.01	0.01
		Belgium	1.3	0.8	0.7
		China	0.03	1.3	0.04
		Ecuador	0.13	0.24	0.63
		France	0.18	0.02	0.01
		Greece	1.3	3.6	3.7
		Iran	1.0	0.99	0.12
		Italy	0.05	0.05	0.08
		Lithuania	0.18	0.0	0.0
Sugars	2012 - 55.51	Poland	7.3	4.2	1.3
	2013 - 64.63	Russia	0.4	0.5	0.5
	2014 - 16.82	Turkey	1.2	1.4	1.2
		Ukraine	2.8	5.0	0.2
		Azerbaijan	4.9	6.0	7.6
		Austria	4.7	3.0	0.04
		Belarus	26.9	16.7	2.5
		Brazil	4.4	23.4	0.0
	Czech Republic	0.89	0.98	0.59	

		China	1.2	1.3	1.0
		Germany	0.27	0.07	0.12
		Italy	0.25	0.14	0.49
		Kazakhstan	0.3	1.94	1.15
		Lithuania	0.0	0.0	0.13
Milling: Malt; Starch	2012- 155.14	Poland	0.5	1.0	1.0
	2013 -138.71	Russia	2.2	3.6	4.2
	2014- 126.26	South Korea	0.0	0.0	0.1
		Ukraine	0.2	0.3	0.3
		Belarus	0.7	4.4	1.5
		China	0.81	0.67	0.31
		Germany	4.7	1.1	2.1
		Kazakhstan	145.8	127.4	116.4
		Latvia	0.23	0.24	0.35
Live Animals	2012 - 8.01	Poland	1.5	0.7	0.3
	2013 - 9.81	Russia	0.1	0.1	0.1
	2014 - 11.85	South Africa	0.0	0.08	0.0
		Ukraine	1.5	0.8	0.2
		United Kingdom	0.1	0.2	0.2
		Kingdom	2.1	0.0	3.5
		Austria	0.0	3.89	0.45
		Czech Republic	0.14	0.18	0.0
		France	2.0	0.41	4.3
		Germany	0.57	3.45	2.8
		Hungary			
Sunfl-Seed, Safflow or Cott Seed Oil Etc	2012 - 55.0	Russia	34.9	43.9	42.3
	2013 - 59.02	Ukraine	6.3	6.0	2.4
	2014 - 51.1	Iran	0.1	0.42	0.0
		Kazakhstan	13.7	8.7	6.4
Beverages	2012 - 6.06	Russia	1.3	1.5	1.7
	2013 - 6.3	United Kingdom	0.1	0.05	0.04
	2014 - 8.37	Kingdom	0.1	0.7	1.3
		Austria	0.0	0.0	0.45
		Czech Republic	2.2	2.4	2.9
		France	0.31	0.51	0.69
		Georgia	1.8	0.92	0.86
		Germany	0.2	0.16	0.17
		Kazakhstan	0.05	0.06	0.26
		Latvia			
Cereals	2012 - 55.68	Russia	0.2	0.0	1.0
	2013 - 55.1	Serbia	0.2	0.0	0.02
	2014 - 69.72	Turkey	0.08	0.2	0.3
		Austria	0.0	0.0	0.1
		Denmark	1.0	1.8	0.0
		Kazakhstan	54.2	53.1	68.3
Preserved Food	2012 - 4.19	Russia	0.4	0.5	0.8

	2013 - 1.45 2014 - 2.51	Spain Thailand Turkey United States Ukraine China Germany Hungary Lithuania	0.2 0.07 0.2 0.02 0.1 2.8 0.14 0.26 0.0	0.1 0.04 0.2 0.08 0.1 0.17 0.06 0.2 0.0	0.1 0.08 0.2 0.2 0.3 0.3 0.23 0.18 0.12
Mixtures Odoriferous Substance Use Food	2012 – 11.92 2013 – 12.59 2014 - 10.54	Russia Turkey United States Austria China France Germany Ireland Lithuania	0.4 0.3 0.0 0.1 0.18 9.0 0.72 1.17 0.05	0.3 0.5 0.3 0.1 0.36 6.5 1.6 2.63 0.3	0.7 0.5 0.06 0.2 0.13 1.9 1.8 5.16 0.09
Spices, Coffee, Tea	2012 – 41.0 2013 - 35.93 2014 - 37.76	Russia Sri Lanka Austria China Georgia India Iran Italy	0.01 5.9 0.04 33.5 0.21 0.06 1.23 0.05	0.1 4.7 0.04 28.3 0.98 0.23 1.48 0.1	0.2 6.7 0.06 27.9 0.14 0.81 1.85 0.1
Tobacco	2012 – 16.66 2013 – 19.04 2014 - 7.17	Russia South Korea Unites States Ukraine United Kingdom Belgium Brazil France Kazakhstan	0.4 1.8 0.0 2.3 0.6 0.1 3.8 0.34 7.32	1.8 1.3 1.9 2.2 0.7 0.1 3.7 0.3 7.04	1.3 0.3 0.8 0.4 1.4 0.2 1.6 0.52 1.65
Food Waste	2012 – 14.93 2013 - 13.06 2014 - 22.41	Russia Turkey Ukraine France Germany Kazakhstan Latvia Lithuania	0.3 0.05 0.2 0.13 0.29 12.7 0.04 1.22	0.7 0.1 0.3 0.12 0.15 6.54 0.44 4.71	4.4 0.2 0.3 0.15 0.11 12.0 1.94 3.31
Dextrines Etc	2012 - 0.51 2013 – 0.72	Russia South Korea	0.07 0.2	0.1 0.3	0.3 0.0

	2014 - 0.58	Germany Kazakhstan	0.14 0.1	0.32 0.0	0.26 0.02
Olive Oil & Its Fractions	2012 - 1.03 2013 - 0.23 2014 - 0.1	Spain Greece	0.1 0.93	0.2 0.03	0.1 0.0
Edible Fruit & Nuts	2012 - 4.82 2013 - 6.57 2014 - 6.19	Turkey Ecuador Georgia Iran	1.1 0.0 0.04 3.68	1.0 1.0 0.0 4.57	0.7 0.06 0.15 5.28
Ind Monocarb Fat Acids; Acid Oil	2012 - 0.6 2013 - 0.96 2014 - 0.7	Turkey China India	0.1 0.5 0.0	0.2 0.76 0.0	0.1 0.37 0.23
Prepared or Preserv Meat, Meat Offal & Blood Nesoi	2012 - 0.3 2013 - 0.28 2014 - 0.32	Turkey Belgium Brazil Canada Lithuania	0.1 0.0 0.2 0.0 0.0	0.08 0.2 0.0 0.0 0.0	0.05 0.01 0.0 0.14 0.12
Glycerol	2012 - 0.04 2013 - 0.82 2014 - 0.51	Turkey Czech Republic China	0.02 0.01 0.01	0.1 0.04 0.68	0.04 0.1 0.37
An or Veg Fats & Oils, Hydrogen Etc,	2012 - 3.72 2013 - 1.94 2014 - 2.26	Ukraine Indonesia Kazakhstan	2.4 0.23 1.09	0.8 0.28 0.86	1.1 0.0 1.16
Animal/Veg Fats & Oils Chem Modified	2012 - 0.1 2013 - 0.08 2014 - 0.08	Ukraine	0.1	0.08	0.08
Peptones, Other Proteins & Deriv Etc,	2012 - 4.5 2013 - 6.6 2014 - 9.2	Brazil China	0.5 4.0	0.4 6.2	1.0 8.2
Sausages, Similar Prdt Meat Etc Food Prep of These	2012 - 0.0 2013 - 0.21 2014 - 0.15	Canada Lithuania	0.0 0.0	0.21 0.0	0.0 0.15
Animal Products Nesoi	2012 - 0.97 2013 - 2.7 2014 - 2.8	China	0.97	2.7	2.8
Lac; Vegetable Saps	2012 - 0.56 2013 - 0.69 2014 - 1.01	China Germany	0.45 0.11	0.39 0.3	0.79 0.22
Soybean Oil & Its Fractions	2012 - 2.87 2013 - 2.74 2014 - 1.73	Kazakhstan	2.87	2.74	1.73
Rapeseed, Colza or Mustard Oil Etc,	2012 - 0.21 2013 - 0.0 2014 - 0.0	Kazakhstan	0.21	0.0	0.0

(Source: Global Trade Atlas)

SECTION IV. BEST PRODUCT PROSPECTS

Product Category	Total Uzbekistan imports 2013 in Millions of USD	Uzbekistan imports from the U.S. 2013 in Millions of USD	Market Attractiveness for USA
Meat (poultry, beef, pork)	43.26	2.5	Although U.S. meat exports (mostly poultry and some pork) are not big in volume, it increased slightly in 2013 compared to previous years. Limited, but increased opportunities exist also for U.S. high quality beef .
Planting seeds	80.0	0.2	In 2012-13 Uzbekistan imported. some vegetable and fruit seeds for sowing from the US. The planting seed market in Uzbekistan remains attractive for U.S. exporters, as within the past 4-5 years Uzbek government has been taking active measures to develop and increase the potential of local fruits & vegetable production. There is an increased demand for imports of high quality planting seeds, in particular for the horticulture sector.
Dairy, Eggs, Honey	18.04	0.2	In 2012-13 Uzbekistan imported U.S. eggs of chicken for incubation, although in relatively small volumes. However there are opportunities for U.S. exporters of egg products, as Uzbek local poultry industry continues to develop rapidly, and there is a big demand for high quality egg products, specifically for incubation

SECTION V POST CONTACT AND FURTHER INFORMATION

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Other useful addresses:

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State Customs Committee of the Republic of Uzbekistan
3, Uzbekistan Ave.
Tashkent, Uzbekistan
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Ministry of Agriculture and Water Resources
Minister: Shukhrat Teshayev
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Fax: (99871) 244-2398
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UZVINPROM Holding Company (wine production and canning business)
Chairman: Shuhrat Rahimov
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e-mail: rais@vinsanoat.uz

UZMASLOJIRPISHEPROM Association (vegetable oil, margarine, mayonnaise production)
Address: 73A, Nukus Street, Tashkent, Uzbekistan
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State JSC “O’ZDONMAHSULOT” (Wheat Millers, Bakeries)
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Important trade shows

15th Uzbek International Exhibition “Food Industry-
WorldFood Uzbekistan”

www.worldfood.uz

- March 25-27, 2015, Tashkent

10th Uzbek International Exhibition “Agriculture –
AgroWorld Uzbekistan”

www.agro.worldfood.uz

- March 25-27, 2015, Tashkent