

## Uzbekistan as a reliable platform for German business in the new realities of the world economy



The visit of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to Germany, according to Doctor of Economics Dmitriy Trostyanskiy, opens a new stage in the further development and expansion of mutually beneficial investment cooperation between the two countries.

Since 2017, the total volume of implemented investments from Germany to Uzbekistan has increased 11 times and amounted to US\$5.5 billion. The number of enterprises created in the Republic with the participation of German capital has more than doubled and reached 219 units.

As part of the business program of the visit, the President of the Republic of Uzbekistan Shavkat Mirziyoyev met with the heads of leading companies and financial institutions in Germany. The event was attended by the heads of about 30 largest companies and banks, such as CLAAS, Knauf, Siemens Energy, Lasselsberger, Aurubis, Linde Group, Gunter Papenburg, Falk-Porsche-Technik, Mangold Consulting, DB Engineering, Landesbank, Commerzbank, KfW Bank, Deutsche Bank and others.

Representatives of German business highly appreciated the economic reforms carried out in Uzbekistan in recent years, which resulted in, among other things, comfortable conditions for foreign investors, creating the prerequisites for bolder and longer-term plans for investment activities in our republic.

As a result of the joint business forum held during the visit, which was attended by over 250 heads of large companies, holdings and industrial enterprises, banks, ministries, departments and industry associations of the two countries, agreements were reached on the implementation of new investment, technological and trade projects in US\$9 billion

Among the promising sectors for investment, green energy, mining, chemical and textile industries, pharmaceuticals, transport infrastructure, digitalization of agriculture, innovations, etc. were singled out.

The agreements reached on a full-scale partnership between Uzbekistan and Deutsche Bank and the German Development Bank KfW, as well as the German Society for International Cooperation, will help support the projects of German companies implemented in our country.

Among the most significant documents signed at the site of the business forum, we should highlight the cooperation agreement between the National Bank for Foreign Economic Activity of the Republic of Uzbekistan (NBU) and Landesbank Baden-Württemberg (LBBW) to attract a credit line in the amount of 100 million euros. This will allow the NBU, on exclusive terms, to attract long-term and concessional financing for investment projects, including in the field of modernization of the textile industry and alternative energy under the cover of the export credit agency Euler Hermes. As a result, the organization of high-tech industries with full-cycle chains from deep processing of cotton fiber to the manufacture of finished textile products with high added value will be ensured. The implementation of these agreements will contribute to the creation of more than 2 thousand new jobs and increase the export potential of the industry by 2.6 times.

In addition, LBBW signed a loan agreement with Asakabank in the amount of 25 million euros to finance promising projects in the pharmaceutical industry. It provides for financing projects for the purpose of import substitution of medicines and medical products based on the supply of technological equipment, raw materials and materials to Uzbekistan from Germany and other leading European countries.

In general, the agreements signed during the visit will serve as an incentive to strengthen partnerships between Uzbekistan and Germany, will make a significant contribution to the organization of modern high-tech industries with high added value, the products of which will saturate the domestic market and be competitive in the world market.

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**Source**