

Equipment for Manufacturing Ceramic Tiles & White Ware in Uzbekistan
U.S. Foreign Commercial Service Uzbekistan
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Summary

1. The construction industry in Uzbekistan has been growing 7-8 percent for last couple years. The demand for ceramic tiles has increased steadily and reached more than 2 million square meters per year. Local production is about 558.8 thousand square meters per year. The import of ceramic tiles for 2000 was USD 9.96 million. White ware products enjoy the same high demand and imports reached about USD 686,200. The GOU is continuing its import substitution policy and is now ready to invest into the local manufacturing of these products. The Tashkent plant for construction materials - TashKSM is going to announce 2 tenders for the importation of equipment to manufacture ceramic tiles and white ware. Contact information for TashKSM is in paragraph 5.

Construction materials plant -tashksm

2. TASHKSM – is the Tashkent plant for construction materials located on an 8,6 hectares of territory in Tashkent City. It began its operations first as a brick and ceramic pipe manufacturer. In 1954 it started manufacturing ceramic tiles with annual capacity of 30 thousand square meters (sq.m.). In 1967-1971, TashKSM has undergone substantial renovation, which increased the production capacity up to 140 thousand sq.m. per annum. Two more production lines were introduced in 1972 and 1979 increasing the total capacity to 2000 thousand sq.m. of ceramic tiles per annum. The company became a joint stock company in 1994.

3. TashKSM has been trying to increase the quality of its products and bought equipment from S.L.T.I. (Italy) in 1996 using credit for USD 1.65 million, which produces 650 thousand sq.m. ceramic tiles. The company has paid off its credit. TashKSM has another facility producing ceramic tiles on very outdated equipment. For 2000, TashKSM produced 514 thousand sq.m. and in 2001 558 thousand sq.m. of ceramic tiles. The plant currently has 285 employees. The following statistics show the growth of import, compounded by locally manufactured ceramic tiles, consumed by the market:

- 1998 imports 386 thousand sq.m.
- 1999 imports 1,750 thousand sq.m.
- 2000 imports 1,786 thousand sq.m.
- and 2002 estimates 1,820 thousand sq.m.

Statistics also confirm that the construction industry has enjoyed 7-8 percent growth for last couple years.

4. Demand for white ware products has increased concurrently with its imports; however, local production has been decreased in Uzbekistan:

- 1999 imports 888,5 thousand USD
- 2000 imports 528,2 thousand USD
- 2001 imports 686,2 thousand USD

Taking into consideration the growing demand for ceramic tiles and imports, the Uzbek government is willing to pour money into local manufacturing, since it has been enforcing an import substitution policy.

The major stake of TashKSM's shares are owned by the Uzbek government, which issued a decree to increase the local manufacture of ceramic tiles and white

ware. Having government financial backing, TashKSM is announcing 2 tenders in early March 2002, one to purchase equipment to manufacture ceramic tiles and second for manufacturing white ware items. There will be two separate tenders for both items, and U.S. companies can participate on tenders separately. Commercial Service of the US Embassy in Tashkent has developed good relations with the management of the plant and encourages U.S. exporters of such equipment to explore this unique opportunity. Interested companies should immediately contact the TashKSM and obtain technical details to bid in the tender, using contact information below.

CONTACT INFORMATION for TashKSM

5. Companies should use following contact information to obtain more information on technical specifications of the upcoming tenders and send their company introductory literature to:

Joint Stock Company TashKSM
Dom 2, 2 Usmon Nosir street
Tashkent, Uzbekistan 700059
Tel:(998-712) 50-92-94, 50-92-91
Fax:(998-712) 50-88-08
E-mail: kmkksm@mail.tps.uz
Contact: Mr. Akmal Zulfikarov, Deputy Director

6. U.S. companies and individuals interested in learning more about construction industry sector in Uzbekistan are encouraged to contact CS Tashkent. The U.S. companies are also encouraged to notify Commercial Service if they wish to participate in the upcoming tenders with TashKSM:

Ms. Tyrena Holley, Senior Commercial Officer
Mr. Murod Majidov, Commercial Specialist
The U.S. Foreign Commercial Service
41, Buyuk Turon Street
Tashkent, Uzbekistan 700000
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