



**>> INVEST IN
THE KYRGYZ
REPUBLIC**

**OVERVIEW OF
THE ECONOMIC
SECTORS**

GENERAL INFORMATION

- **Official name:**
Kyrgyz Republic
- **Form of government:**
Parliamentary republic
- **Language:**
Kyrgyz (state)
Russian (official)
- **Currency:** KGS
1 USD = 68.86 KGS
1 EUR = 77.78 KGS
- **Financial and cultural centers:**
Bishkek city and Osh city



Capital: **Bishkek**



Total territory: **199.9 thous. sq.km**



Population: **6.2 million**



Average age: **27 years**



Time zone: **UTC+6**



Climate: **moderate continental**



The Kyrgyz Republic has one of the largest mineral deposits in Asia. The country is rich in mineral resources and well known for its gold reserves and deposits of rare metals.

✓ Currently, the mining industry is represented by the following sectors:



Gold:

More than **60** gold deposits have been explored in the country;



Non-ferrous metals:

There are **7** large deposits of antimony and **3** major deposits of tin and tungsten;



Coal:

Geological reserves and projected reserves of coking coal reach **260** million tons, which makes it possible to begin work on their exploration and the construction of coke and by-product process;



Oil and gas:

15 oil and gas fields are developed in Jalal-Abad, Osh and Batken oblasts;

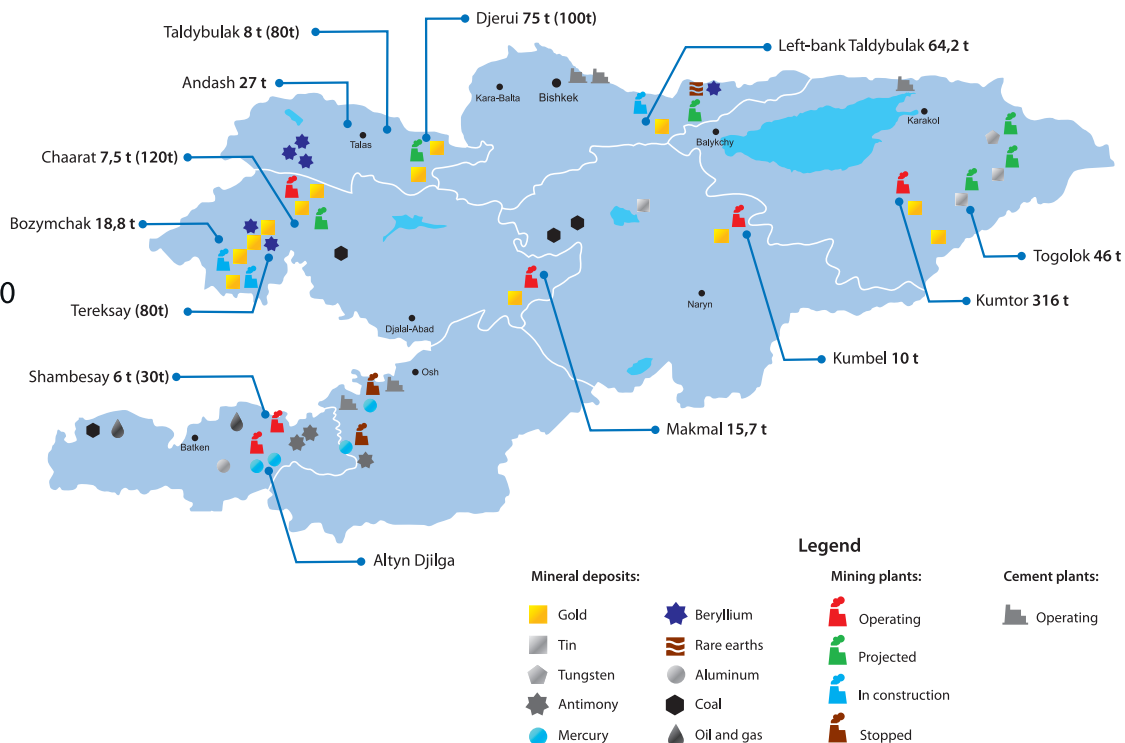


Deposits of construction materials:

Hundreds of deposits of construction materials, mining and chemical raw materials. Three operating cement plants with capacity of **1.37 million tons per year**, dozens of brick factories;

The level of investment inflow to the sector was USD 416,1 mln. from 2010 to 2017 and has a tendency of growth.

MAJOR MINERAL DEPOSITS





LARGE POTENTIAL OF THE INDUSTRY

- 🏠 Over **100 thousand** operating companies
- 👤 **5.2%** of all workers of the country
- 💰 Export of services is **415 million U.S. dollars**,
6.4% of country's GDP
- 🚶 More than **3 million foreign visitors** in a year

- Health tourism
- Extreme tourism
- Mountain tourism
- Diving
- Water tourism
- Sports tourism
- Cultural tourism (sightseeing)
- Business tourism
- Event tourism




- Unique **Issyk-Kul Lake** is the second largest alpine lake in the world
- The country is crossed by the **Great Silk Road** which attracts thousands of tourists
- The growing trend of outbound tourism of nearby **Southeast Asia and India**
- The Kyrgyz Republic has been listed in the **top 20 tourist destinations for 2018**, according to **Passion Passport**

Visa-free travel for **61 countries**:

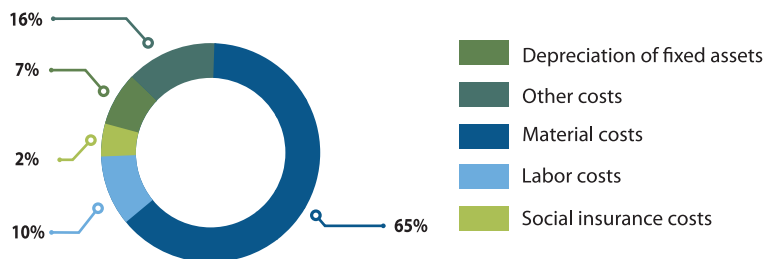
Australia, Austria, Belgium, Bosnia and Herzegovina, Vatican, Great Britain, Hungary, Germany, the Netherlands, Denmark, Greece, Iceland, Ireland, Italy, Spain, Canada, South Korea, Kuwait, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, New Zealand, Norway, UAE, Poland, Portugal, Saudi Arabia, Singapore, Slovakia, Slovenia, the USA, Finland, France, Croatia, Czech Republic, Switzerland, Sweden, Estonia, Qatar, Brunei, Bahrain, Japan, Azerbaijan, Armenia, Georgia, Moldova, Belarus, Kazakhstan, Russia, Tajikistan, Vietnam, North Korea, Cuba, Malaysia, Turkey, Ukraine, Uzbekistan, Mongolia.



The construction sector of the Kyrgyz economy has a high potential. The scale of construction in the Kyrgyz Republic increases every year.


-  More than **700** operating companies
-  Contribution to GDP of the country is **9%**
-  In 2017, the growth of the industry was **8%**
-  Forecast: in the next **3** years, industry growth will be **21%**

The structure of the construction costs (at cost)



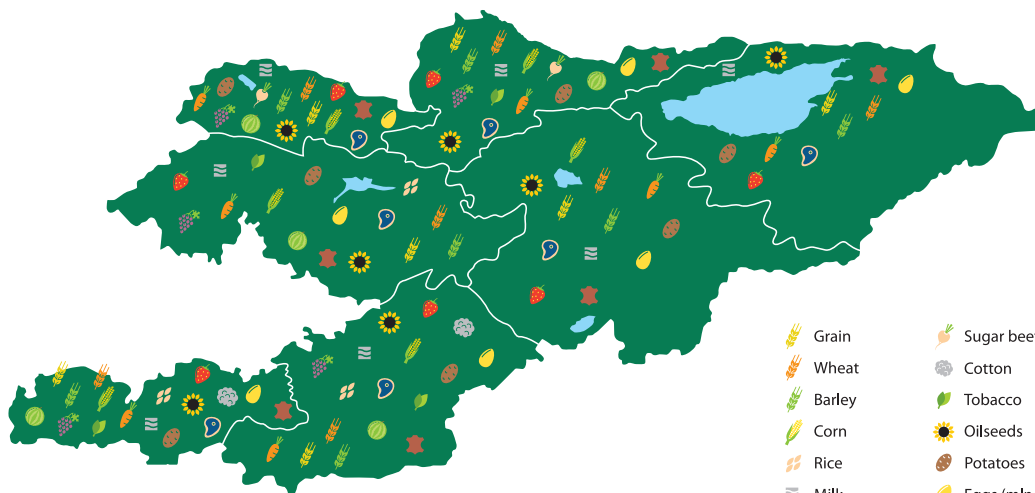



 Contribution to the economy -
13% of GDP

 **33%** of the country's workforce
is employed in the industry



















 More than **383 thousand** agricultural
subjects is registered in 2017

 The annual gross output of products
is **3.5 billion U.S. dollars**



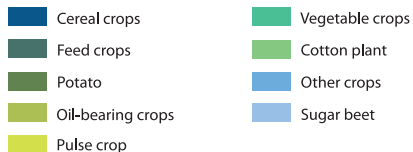
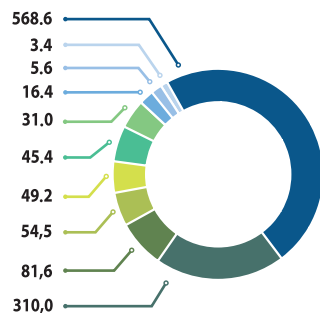
 All agricultural products are
exempted from 12% VAT(Value
Added Tax)

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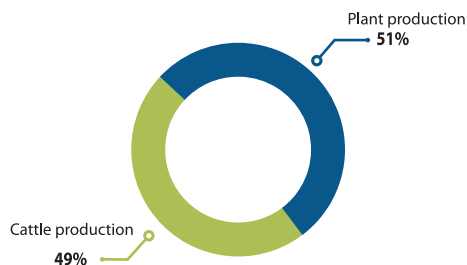
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|--|--|--|
|  Grain |  Sugar beet |  Vegetables |
|  Wheat |  Cotton |  Melons and gourds |
|  Barley |  Tobacco |  Fruits and berries |
|  Corn |  Oilseeds |  Grapes |
|  Rice |  Potatoes |  Meat |
|  Milk |  Eggs (mln. pieces) |  Wool |

Total cultivation area, occupied with agricultural crops is **1.2 mln ha.**

Agricultural crops (thous. ha)



Total output of agricultural industry products in 2017



Croplage and cropping capacity

	Croplage (thous. tonnes)	Cropping capacity (centner per 1 ha)
Grain	1813,0	28,1
Sugar beet	195,4	293,4
Raw cotton	68,6	29,3
Tobacco	6,5	21,0
Potato	1332,0	163,3
Vegetables	881,5	186,8

Meat production



	(thous. tonnes)
🐮 Beef or veal	96,9
🐷 Pork	15,1
🐑 Mutton or chevon	51,8
🐎 Horsemeat	22,2
🐔 Poultry meat	6,8



Based on simplified taxation system, the industry actively developing in the last couple years by using cheap raw materials.



Increase in volume of output – **59% in 5 years**



Output of products per year – **375 mln USD**



Employment in the sector – **90,000 - 150,000 persons**



Average monthly wages – **170 USD**



Export directivity – **90%** of products goes to markets of **Russia, Kazakhstan and Europe**



Clothes export – **2nd place** by volumes after gold



More than **35,000** continuing companies

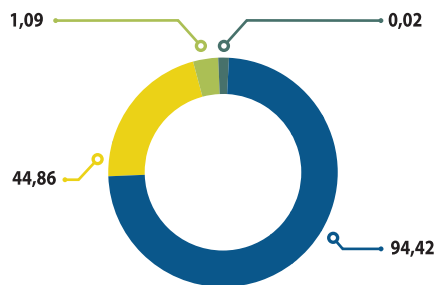


There is a **simplified taxation** system based on patent

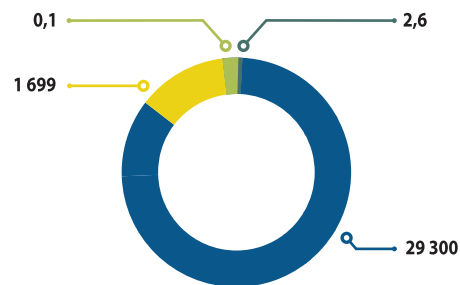


- Incomes from freight traffic activity in 2017 – **140 mln USD**
- Cargo transportation volume in 2017 - **31.2 mln tonnes**
- The most widespread cargo transportation type – motor, **29,3 mln tonnes in 2017**

Incomes from freight traffic activity



Annual cargo transportation volumes (mln tonnes)



Inland water







Air

Railway

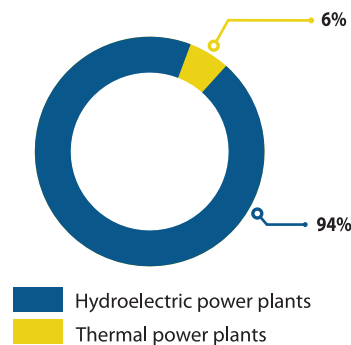
Motor



Electric-power industry is strategic branch of the economy of the Kyrgyz Republic. Hydroelectric potential allows to provide with electricity both our country and nearest countries.

-  Hydraulic power industry – **53%** of total volume of energy resources
-  There is **2%** of the country's GDP per sector
-  **16%** of industrial output volume of the country
-  The sector provides **10%** of incomes of the country's budget
-  Hydroelectric potential of the country – **142 bln kWh**
-  Country potential is engaged for **8-9.5%**

Electric-power production
in the country



There is a big potential for development of **small-scale and medium-scale power generation**. Water resources of minor rivers are developed for **3%**.



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