



British-Uzbek Society Newsletter

Issue 2

5 January 2009

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Focus:

- *Uzbek economy in 2009*
- *Results of UBTIC meeting with His Excellency Minister Ganiev and Top Level British Delegation.*
- *New opportunities for business in Uzbekistan*
- *AFC player of the year*

Uzbek economy is not likely to suffer in 2009

The economy of Uzbekistan is unlikely to suffer considerably in 2009, because it is not integrated with the financial markets of developed countries, under a conclusion contained in a joint statement circulated in Tashkent by the government and Central Bank of Uzbekistan and by the International Monetary Fund.

IMF's mission was to observe financial and economic achievement in 2008 and assess the outlook for 2009 in light of the recent developments in the world economy and the authorities' policy intentions.

In accordance with the statement, Uzbekistan in 2008 has remained resilient to the ongoing international credit crisis and the downturn in developed economies, with real GDP growth of 9 percent (under official statistics), large external current account and fiscal surpluses, further accumulation of foreign exchange reserves, and continued stability in the banking system. The increase in inflation has been contained, though its level remains high.

At the same time IMF officials warn that the seri-

ous slump in the world economy will tell on the republic in 2009 through cuts in the prices of exchange major export commodities, weaker demand for Uzbek that are the stable exports due to lower growth in major trading partners. The Uzbek economy is not integrated with the financial markets in developed countries and therefore is not likely to suffer significantly from credit constraints or sharp falls in capital flows.

With its strong macroeconomic position, Uzbekistan has considerable resources to finance well-targeted policies to support growth. The challenge is to mitigate the impact of the global crisis on economic growth through timely and well-targeted policies, while ensuring continued financial stability and reductions in inflation. The Fund staff stands ready to assist the authorities as they address these challenges.

Taking into account the broad range of policies envisaged by the authorities to stimulate domestic demand, including appropriately expansionary fiscal and cautious monetary policies, the mission expects the eco-

nomical outlook to remain relatively favourable in 2009, with a limited slowdown in growth and continued external and fiscal surpluses. The mission recommended against reacting to the global crisis by increasing protectionist measures and implementing foreign exchange restrictions.

The authorities and the mission agreed on the importance of enhancing the role of banks in economic activity. The mission encouraged the authorities to further enhance confidence in the banking system by removing the noncore functions from banks and facilitating the availability of cash, and welcomed the authorities' intention that any increases in the share and interventions of the government in banking sector activities will be temporary measures.

In the end, IMF welcomes the progress made in improving balance of payments data and the authorities' commitment to address issues related to national income and price statistics.

By uzdaily.com

Aral Sea witness

The following is an eye witness account of the Aral Sea as it used to be before it retreated by two thirds.

I came to the Aral seaside late May of 1976. At that time the sea was within walking distance from the centre of Muynak city, where there was an industrial plant and in which I worked.

Along the coast one could see small houses for tourists, who visited on their holidays. There were many tourists at that time. Also in those days Aral amazed me. However far you walked into the sea, the sea came up to knee

height. That is where the origin of the local saying "you won't sink, you will float all the time". One could lie and rest on the water.

The sea was particularly beautiful during sunset, as if the sun entered the sea. By contrast even then there were islands of abandoned ships, skidded with sand, as if they were sunk in the dunes. The description "grey-haired Aral" would match – it was so calm as if it was saying good-bye.

At that time fishermen were still putting out to sea and used to bring barbells.

These were smoked before they were eaten. Two fish-factories were operating. Mainly they were producing freshwater fish from lakes: pike perch, bream and sometimes barbell (barbel's "tyoshka" is a delicacy). The fish-factory also processed imported fish from Baltic counties, such as horse-mackerel, hake, and capelin. It also produced canned fish in tomato sauce. Old residents used to tell how big the port and docks in Muynak had been in the past. The life was in full swing. Sadly there is little left today.

By Khanipa Umbetova



"Aral Sea as it is today"

MEMBERSHIP FORM

Rates per annum

Corporate*	£500
Academic (universities & other academic institutions)*	£100
UBTIC members discounted rate	£300 (for the first year)
Individual	£ 15
Concessionary (Students, Pensioners, Etc.)	£ 10

* Please note that the first two categories allow the relevant organisations to send up to six people to each of the events.

If you would like to join the Society, please fill out the slip below and return with a cheque made payable to the *British-Uzbek Society* to The Administrator, British-Uzbek Society, Stubbs Hill Farm, Besthorpe, Norfolk, NR17 2LS.

Name

Company name (if applicable)

Address

Postcode

Tel

E-mail

Please delete as appropriate: I / we wish to become a corporate / academic / individual / discounted member of the Society. I / we enclose a cheque made payable to the *British-Uzbek Society* of £500 / £300/ £100 / £15 / £10.

If you are a corporate / academic member, please list the names of those people you wish to nominate as members of the Society

Planned Events for 2009

28 January

Executive Committee meeting

We are in the process of planning events for 2009 at this time and we are hoping that these will include an Uzbek film evening, the opening of the first Uzbek restaurant in London, music and photo exhibition events and the annual Independence Day celebration, as well as others.

"Our membership charges are very modest in 2009 and good value."

Planned Events for 2009

New opportunities for business in Uzbekistan

A conference “*New opportunities for business in Uzbekistan: sector of environment, including the Clean Development Mechanism*” organised with the Embassy of Uzbekistan to the United Kingdom jointly with companies of IBC Conferences, British American Tobacco, WorleyParsons, Oxus Gold and Shell was held in October 2008.

The delegation members included the representatives of National Holding Company Uzbekneftegaz, State Joint-Stock Companies Uzkimyoosanoat and Uzbekenergo, Uzkommunhizmat agen-

cies and Uzinfoinvest, as well as Fund for protection of gene pool of area adjacent to Aral shared their experiences in Clean Development Mechanism in their industries.

At the beginning of the conference the welcoming message of the Prince Michael of Kent to the participants of the forum was read out. In his message Prince supported this event that was meant to render assistance to the advancement of British business and attract new investments to Uzbekistan, as well as apply the new methods for bettering environment in Central Asia.

The participants of the conference learnt about current development of

economy of Uzbekistan, situation in the sphere of ecology, problems of Aral and managing of water resources, favourable conditions created for foreign investors, as well as new opportunities for cooperation in implementing the projects of CDM, chemical, electro energy and oil and gas sectors.

In the end British businessmen and specialists emphasized the presence of developed legal basis and outlined the success achieved by Uzbekistan in the sphere of environment and implementation of projects as a part of CDM, as well as underscored the leadership of Uzbekistan in this sphere not only in the scale of the region but also all CIS area.

By www.mfa.uz

“British businessmen and specialists underscored the presence of developed legal basis, necessary conditions for successful cooperation in the sphere in Uzbekistan”

The Uzbek-British Trade and Investment Council's (UBTIC) results in Tashkent

Tashkent Trade Council Success.

There were seventeen Uzbek Ministers lead by Minister for Foreign Economic Relations, Trade and Industry, His Excellency Mr. Elyor Ganiev and the British delegation was leaded by Dr. Hartley Booth and joined by his Deputy Chairman Richard Wilkins.

They were grateful to have a support of the British Ambassador in Uzbekistan, His Excellency Mr Iain Kelly and seventeen of new and old members of the Council. Of the new Council members attend-

ing Shell and Mott MacDonald Ltd were two of the large companies.

The Royal Bank of Scotland representative had to drop out at the last minute.

Mr James McGrory gave an outstanding speech and Dr Elena Potayenko made a very effective presentation in Russian.

It was noted that the meeting started with a message written by the British Minister of State Gareth Thomas. It was noted that Uzbekistan had a very low level of debt and was praised by the

Financial Times, a number of prospects and new work of British industry were described by British companies.

Mott MacDonald's achievement with the World Bank in the West of Uzbekistan was praised and British American Tobacco reported good results.

Outside the meeting the usual was a number of issues were resolved bilaterally between the Co-Chairmans on behalf of businesses and for the first time there was mention of investment from Uzbekistan into Britain.



“new opportunities for cooperation in implementing the projects of Clean Development

“Uzbekistan had a very low level of debt and was praised by the Financial Times”

British Uzbek Society

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Useful links:

www.uzbekembassy.org
www.ukinuzbekistan.gov.uk
www.uzairways.com



**AFC Annual Award
2008**

A British-Uzbek Society was founded by a group of prominent people in the UK, including business, academic and artistic communities and with the support of the Embassy of Uzbekistan in London in 2001.

The Society aims to promote friendship and cooperation between the UK and Uzbekistan in such fields as business, education and the arts. It is involved in different activities such as organising exhibitions, lectures, visits or joint projects in the field of art and cultural development.

The Retiring President of the Society is Sir Timothy Sainsbury. The Chairman is Dr. Hartley Booth (Co-chair of the Uzbek-British Trade and Industrial Council), the Vice-Chairman is Dr. Shirin Akiner (Professor of the School of Oriental and African Studies, University of London).

Patrons of the Society include HE Otabek Akbarov (Ambassador of Uzbekistan to the Court of St. James), Dr Geoffrey Copland, Jim Cousins MP, Sir Derek Thomas, Viscount Waverley,

Corporate Members: British-American Tobacco, Denton Wilde Sapte, Oxus Gold, Wakefield Inspection Services Ltd., and Uzbekistan Airways.

Academic Members: University of Birmingham and University of Westminster.

AFC Football Player of the Year



The Asian Football Confederation have named Uzbekistan midfielder Server Djeparov as the 2008 AFC Player of the Year while Gamba Osaka was voted club of 2008 year.

The 26-year-old attacking midfielder from the Bunyodkor club based in the capital Tashkent of the former Soviet Republic in Central Asia is now managed by the former Brazil star Zico was awarded in Shanghai on 25 November.

"For me, it's my first trophy and I'm so happy to win this title, I played for a new club

and won two domestic titles and completed the hat-trick by becoming the top scorer of the league for the first time," said Djeparov, who was a key member of Bunyodkor's first-ever Uzbek league.

As a result of winning the award and AFC being a partnership with English Premier League, Djeparov, will now go on a training stint with Chelsea, paid tribute to the sporting authorities in his homeland, stressing the increased amount of investment in football was having a major impact.

In the end, Djeparov

added that "In Uzbekistan, there has been a positive change in the development of football, and government is doing a lot to develop football so to receive this trophy will have a positive effect on the game in Uzbekistan and its image in Asia and around the world."

by www.fifa.com

