Investment attractiveness of the pharmaceutical industry of the Republic of Uzbekistan
CONTENTS

1 Organisational Structure of the Agency
2 Market overview
3 Conditions in the pharmaceutical industry
4 Offers for potential investors
Responsibilities of the Agency

State regulation of the pharmaceutical industry, including through state registration, standardization, certification, technical regulation of pharmaceutical products, as well as licensing of pharmaceutical activities.

Implementation of a strategy for the sustainable development of the pharmaceutical industry, including through the introduction of modern mechanisms of state support for the industry.

Organization of the study of the pharmaceutical market, conducting a systematic analysis of the provision of the population and healthcare institutions with pharmaceutical products, developing proposals on its basis for further saturation of the domestic market and localization of production.

Assistance to industry enterprises in organizing cooperation with leading foreign pharmaceutical companies in developing new types of high-quality pharmaceutical products competitive in the domestic and foreign markets.
STATE CENTER FOR EXPERTISE AND STANDARDIZATION OF MEDICINES, MEDICAL DEVICES AND MEDICAL EQUIPMENT

TASHKENT SCIENTIFIC RESEARCH VACCINE AND SERUM INSTITUTE

UZBEK CHEMICAL-PHARMACEUTICAL RESEARCH INSTITUTE

RESEARCH INSTITUTE "EASTERN MEDICINE"

SCIENTIFIC INDUSTRIAL PHARMACEUTICAL CLUSTER "TASHKENT PHARMA PARK"
MARKET OVERVIEW
Population of Republic of Uzbekistan

34 Million

Birth rate –

600 000 per year

Total population of Central Asia –

more than 110 Million

*for the 1st January 2020*
1.3 Billion USD
Total Pharmaceutical Market

Approximately 9750 products are actively in the market

2634 products are produced by local manufacturers

Annually 600 new products are approved

2018 Total Market

Volume (%): 55% Local, 45% Import

Value (%): 78% Local, 22% Import

*for the 1st January 2020
## PHARMACEUTICAL MANUFACTURING FACILITIES

### Number of Manufacturing Sites of Uzbekistan in pharmaceutical sphere

<table>
<thead>
<tr>
<th>Category</th>
<th>Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturers of medicines</td>
<td>95</td>
</tr>
<tr>
<td>Manufacturers of medical equipment</td>
<td>23</td>
</tr>
<tr>
<td>Manufacturers of medical devices</td>
<td>62</td>
</tr>
<tr>
<td>Manufacturers of both medicines and medical devices</td>
<td>11</td>
</tr>
<tr>
<td>Total number of manufacturers</td>
<td>191</td>
</tr>
</tbody>
</table>

### Number of Manufacturing Sites with certificates of conformity

<table>
<thead>
<tr>
<th>Certificate Type</th>
<th>Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISO 9001</td>
<td>40</td>
</tr>
<tr>
<td>GMP international certificates</td>
<td>3</td>
</tr>
<tr>
<td>Local GMP certificates</td>
<td>10</td>
</tr>
<tr>
<td>Total number of manufacturers with certificates of conformity</td>
<td>53</td>
</tr>
</tbody>
</table>

*for the 1st January 2020*
For 2018 - 2019 Implemented **50 investment projects** worth more than 150 million US dollars

Including, in the territory of pharmaceutical FEZ **11 projects were implemented** in the amount of 70 million US dollars

Domestic pharmaceutical production in 2019 increased by **3 times in financial and 4 times in quantitative terms** compared with 2014.

The number of manufacturers increased **by more than 30%** compared to 2014.

**Dynamics of growth of the Pharmaceutical Industry**

*in quantitative terms*

- 2014: 55
- 2019: 203

*in financial terms*

- 2014: 90
- 2019: 349

**Dynamics of growth of Manufacturing Sites**

- 2014: 135
- 2019: 191

*in accordance with No PB-554 dated 12/30/2019*
EXPECTED GROWTH IN THE PHARMACEUTICAL INDUSTRY

The volume of export of domestic pharmaceutical products
(in Mln. Usd)

The volume of release of domestic dosage forms
(in monetary terms (in %))

GMP Certification of Domestic Pharmaceuticals

Growth in the number of domestic pharmaceutical enterprises

in accordance with No PBl554dated12/30/2019
CONDITIONS IN THE PHARMACEUTICAL INDUSTRY
CREATED TERMS FOR INVESTORS

Decree of the President of the Republic of Uzbekistan No. DP-4554 dated 12/30/2019 “About additional measures for deepening reforms in the pharmaceutical industry of the Republic of Uzbekistan”

“Reducing imports of medicines through modernization, increasing existing production capacities and the development of new types of medicines, as well as by attracting investments”.

Decree of the President of the Republic of Uzbekistan No. DP-5707 dated 04/10/2019 “On further measures to accelerate the development of the pharmaceutical industry of the republic in 2019 -2021”

“When making state purchases of medicines and medical supplies, the state customer rejects all applications containing proposals for the supply of imported medicines and medical supplies, if there are two or more participants - domestic producers of similar products”.


“In the event that subsequent legislation of the Republic of Uzbekistan worsens the conditions for investment then for investors within ten years from the date of investment the legislation in force on the date of investment is applied”.

Decree of the President of the Republic of Uzbekistan No. DP-5032 dated 05/04/2017 “On the creation of free economic zones”

“Create free economic zones “Zomin-Pharm”, “Kosonsoy-Pharm”, “Sirdaryo-Pharm”, “Boysun-Pharm”, “Bustonlik-Pharm” and “Parkent-Pharm””. 
PHARMACEUTICAL FREE ECONOMIC ZONES

FEZ PARTICIPANTS ARE EXEMPTED FROM:

- Land tax
- Property tax
- Single tax payment
- Tax on the improvement and development of social infrastructure
- Payment of extra-budgetary funds for the reconstruction of educational and medical institutions
- Admission to the Republican Road Fund
- Customs payments for raw materials, equipment and components

TERM FOR PREFERENCES:

- from 0.3 up to 3 million: up to 3 years
- from 3 up to 5 million: up to 5 years
- from 5 up to 10 million: up to 7 years
- from 10 million: up to 10 years and more*
PHARMACEUTICAL FREE ECONOMIC ZONES

Filing an application by Investor

Consideration of the possibility of implementing the project, transfer of the application to the Administrative Council of the FEZ *(in 2 working days)*

Making the decision to place an investment project by FEZ Governing Body *(in 5 working days)*

Granting the status of a FEZ participant by Directorate of FEZ *(in 1 working day)*

Package of Documents –
1. Investment Application,
2. Business-plan,
3. Information about investors working experience,
4. Information on the financial and economic activities of the investor.
Organizations included in the cluster:

State Center for Expertise and Standardization of Medicines, Medical Devices and Medical Equipment

Pharmaceutical University with an international Diploma

Research and Development Centers, Research Laboratories, Vivarium, Pharmacopeia Center

Symposium center, Hotel, Accommodations for international teachers, specialists, students

Industrial zone for the implementation of innovative projects for the production of pharmaceutical products
OFFERS FOR POTENTIAL INVESTORS
**List of groups of drugs recommended for localization of production in the republic in 2019–2021**

<table>
<thead>
<tr>
<th>Group of Drugs</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Antibiotics</td>
<td></td>
</tr>
<tr>
<td>Medicines for the treatment of pathology of the endocrine system</td>
<td></td>
</tr>
<tr>
<td>Nonsteroidal anti-inflammatory drugs</td>
<td></td>
</tr>
<tr>
<td>Antiviral drugs</td>
<td></td>
</tr>
<tr>
<td>Medicines for the treatment of pathology of the gastrointestinal tract</td>
<td></td>
</tr>
<tr>
<td>Immunobiological medicines</td>
<td></td>
</tr>
<tr>
<td>Medicines for the treatment of pathology of the respiratory system</td>
<td></td>
</tr>
<tr>
<td>Medicines for the treatment of cardiovascular diseases</td>
<td></td>
</tr>
<tr>
<td>Medicines for the treatment of oncological diseases</td>
<td></td>
</tr>
<tr>
<td>Diaskintests for early detection of tuberculosis infection in children</td>
<td></td>
</tr>
</tbody>
</table>

*in accordance with No.UP5707 from 04/10/2019*
PRIORITY AREAS FOR THE LOCALIZATION OF PHARMACEUTICAL PRODUCTS

The ratio of sales of domestic and foreign pharmaceutical products for 2019

(in mln. US dollars.)

- Diaskin tests for early detection of tuberculosis infection in children
  - Domestic production: 0 mln. US dollars
  - Import: 2.2 mln. US dollars

- Oncological drugs
  - Domestic production: 2.8 mln. US dollars
  - Import: 47.5 mln. US dollars

- Cardiovascular drugs
  - Domestic production: 2.4 mln. US dollars
  - Import: 15.4 mln. US dollars

- Preparations for the treatment of pathology of the respiratory system
  - Domestic production: 1.5 mln. US dollars
  - Import: 26.9 mln. US dollars

- Immunobiological medicines
  - Domestic production: 20 mln. US dollars
  - Import: 73.1 mln. US dollars

- Drugs for the treatment of pathology of the gastrointestinal tract
  - Domestic production: 1.5 mln. US dollars
  - Import: 11 mln. US dollars

- Antiviral drugs
  - Domestic production: 5.7 mln. US dollars
  - Import: 38 mln. US dollars

- Nonsteroidal anti-inflammatory drugs
  - Domestic production: 1.2 mln. US dollars
  - Import: 18 mln. US dollars

- Medicine for the treatment of endocrine system pathology
  - Domestic production (Be formed)
  - Import (Be formed)
AGENCY ON DEVELOPMENT OF THE PHARMACEUTICAL INDUSTRY UNDER THE MINISTRY OF HEALTH OF THE REPUBLIC OF UZBEKISTAN

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