**Milk processing, production and sale of skimmed milk powder, butter, whole milk and dairy products**

**Investment Structure**

• The company is seeking a partner for the joint implementation of the project

• Total project cost: 7,2 mln USD

• Funding scheme: Any forms of cooperation will be considered.

• Investments required: 7,2 mln USD

**Investment opportunity**

* **Project justification: access to the full capacity of the enterprise. The production capacity of the plant - production of skimmed milk powder 5000 kg of butter and 10 tons, 170 tons of milk per day.**
* **Land, production facilities, infrastructure:** **the total plant area is 3,684 hectares. Located on the territory of a workshop for production of skimmed milk powder and butter, dairy plant and dairy products, compressor shop, a garage, boiler room, gas-fueled, administrative building.**
* **Project documentation: available**

**General overview**

* **Implementation place:** Rudnyi Town, Kostanay Region, Republic of Kazakhstan
* **Expected result:** Purchase and processing of milk, production and sale of skimmed milk powder, butter, whole milk and dairy products.
* **Market:** Domestic: ECU
* **Current status:** The project operates, but feels the need to replenish working capital. Necessary funding / investor or partner for joint implementation. Since 2014 it has being suspended.



Product market potential

Commodity market:

**Investment Structure**

• The company is seeking a partner for the Construction of hot briquetted iron production plant

• Total project cost: USD 2 000 mil USD

• Funding scheme: loan funding

• Investments required: 780 mil USD

**Investment opportunity**

* **Payback period: TBD**
* **Production capacity: 1.8 mil tons**
* **Availability of documentation: feasibility study**

**General overview**

* **Implementation period:** 2015-2017
* **Implementation place:** Rudnyi Town, Kostanai Region, Republic of Kazakhstan
* **Expected result:** Production of high quality hot briquetted iron
* **Market:** Domestic: ECU, export: China
* **Current status:** feasibility study is completed, MoU with Siemens Vai on modernization of pellets, pellets production tested, search for financial sources or/and strategic investor.



Kazakhstan, Customs Union, Central Asia,

the Caucasus, Ukraine, Iran

**Import volumes in money (mln. USD) and kind**

Kazakhstan- 0.4 mln USD; 0.3 th.t

Macro-region

41.1 mln USD; 18.6 th.t

Russia: 12.2 mln USD (29.7%); 7.1 th.t (38.2%)

China: 16.3 mln USD (39.7%); 3.5 th.t (18.8%)

Ukraine: 3.4 mln USD (13.7%); 1.4 th.t (7.5%)

Turkmenistan: 2 mln USD (8.1%); 1.7 th.t (9.1%)

Azerbaijan: 1.5 mln USD (6%); 1.1 th.t (5.9%)

Uzbekistan: 1.3 mln USD (5.2%); 1.4 th.t (7.5%)

***Import growth over the last 5 years (2008-2009)%***

+2.1% (2008); + 58% (2009)

Macro-region

+ 5.2 times (2008); + 5.7 times (2009)

RF: + 4.8 times (2008); + 4 times (2009)

PRC + 3 times (2008); + 3.4 times (2009)

Ukraine: + 5.3 times; + 15.6 times (2009)

Turkmenistan: + 65 times (2009)

Kyrgyzstan: + 8.1 times (2008); + 8,8 times (2009)

Azerbaijan: + 28 times (2008); + 39 times (2009)

Uzbekistan: + 17.6 times (2008); + 22.4 times (2009)

***Tariff barriers in the target markets***

**Russian Federation**: There are no tariff barriers

within Customs Union. Non-tariff: overvalued

sanitary and epidemiological control **China**: 20% customs duty. Non-tariff: sanitary and epidemiological control. **Ukraine**: the preferential tariff for the CIS 0%.

Non-tariff: sanitary and epidemiological control. **Turkmenistan**: 2% customs duty. Non-tariff: sanitary and epidemiological

control.

**Kyrgyzstan**: the preferential tariff for the CIS

0% customs duty. Non-tariff: sanitary and

epidemiological control. Uzbekistan puts the

excise duty at the rate of 10 to 200 percent on

food imported from the Republic of Kazakhstan,

which increases the final cost of goods and

creates unequal conditions with local food

producers. This measure is at odds with the

accepted agreement Kazakhstan and Uzbekistan

on free trade of June 2, 1997.

**Azerbaijan:** the preferential tariff for the CIS 0%.

Non-tariff: sanitary and epidemiological control.



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