

**2008 Korea-Uzbekistan  
Energy Cooperation**

# **Current Status and Prospect of Korea's Investment in Uzbekistan**

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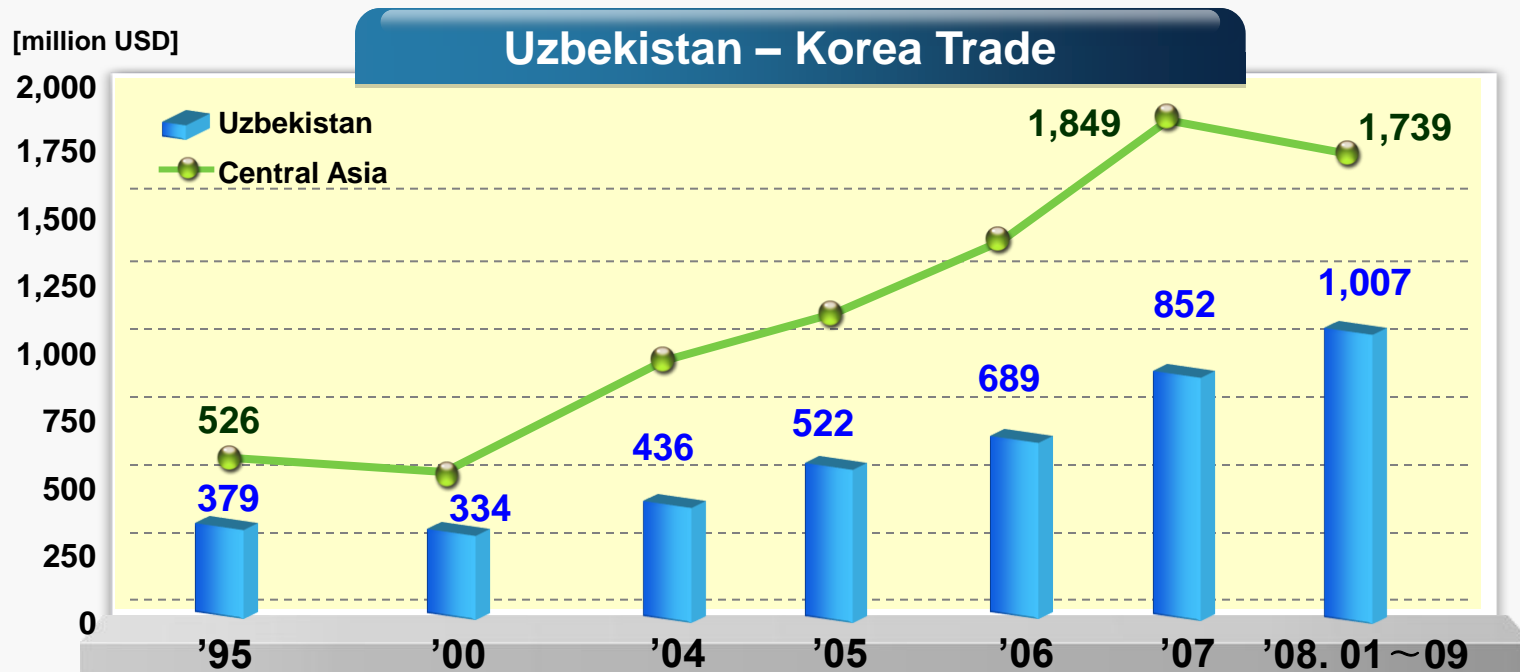
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# 1. Current Trade and Investment (1)

- ◇ Share of trade b/w Uzbekistan & Korea is 46% in Central Asia
- ◇ Rapidly increasing trade b/w Uzbekistan & Korea
  - ◆ Trade reached a peak of 10 billion USD during 2008. 01 ~ 09



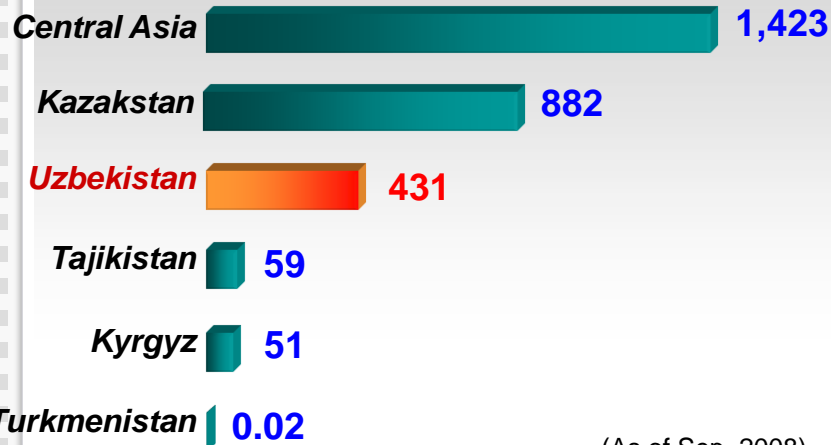
\* source : KTIA

# 1. Current Trade and Investment (2)

- ◇ Rapidly increasing investment of Korea in Uzbekistan :  
\$15 mil. ('93) → \$47 mil. ('07)
- ◇ Largest investment in Manufacture
  - ◆ Expect more invest on Energy, IT, Construction, Finance, etc

## ODI by Central Asian Country

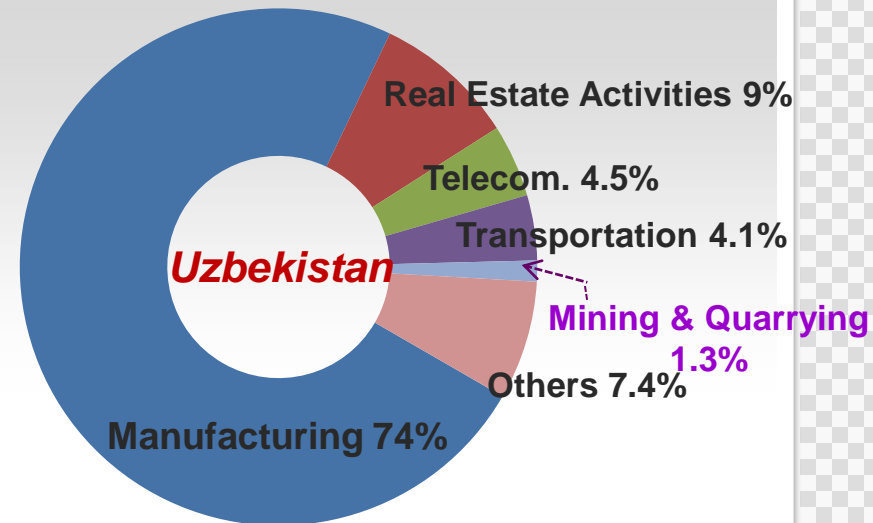
[million USD]



(As of Sep. 2008)

\*source : Korea Eximbank

## ODI by Industry



## 2. Korea's Investment - Textile

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### ◇ Daewoo Textile Company

- ◆ Location : Fergana, Margilan city
- ◆ Foundation : 1996. 4. 24
- ◆ Spindles : 70,000    Loom : 179
- ◆ Capacity : Cotton Filler 14,500 ton, Weaving 2.1 mil. m/y

### ◇ Daewoo Textile Fergana

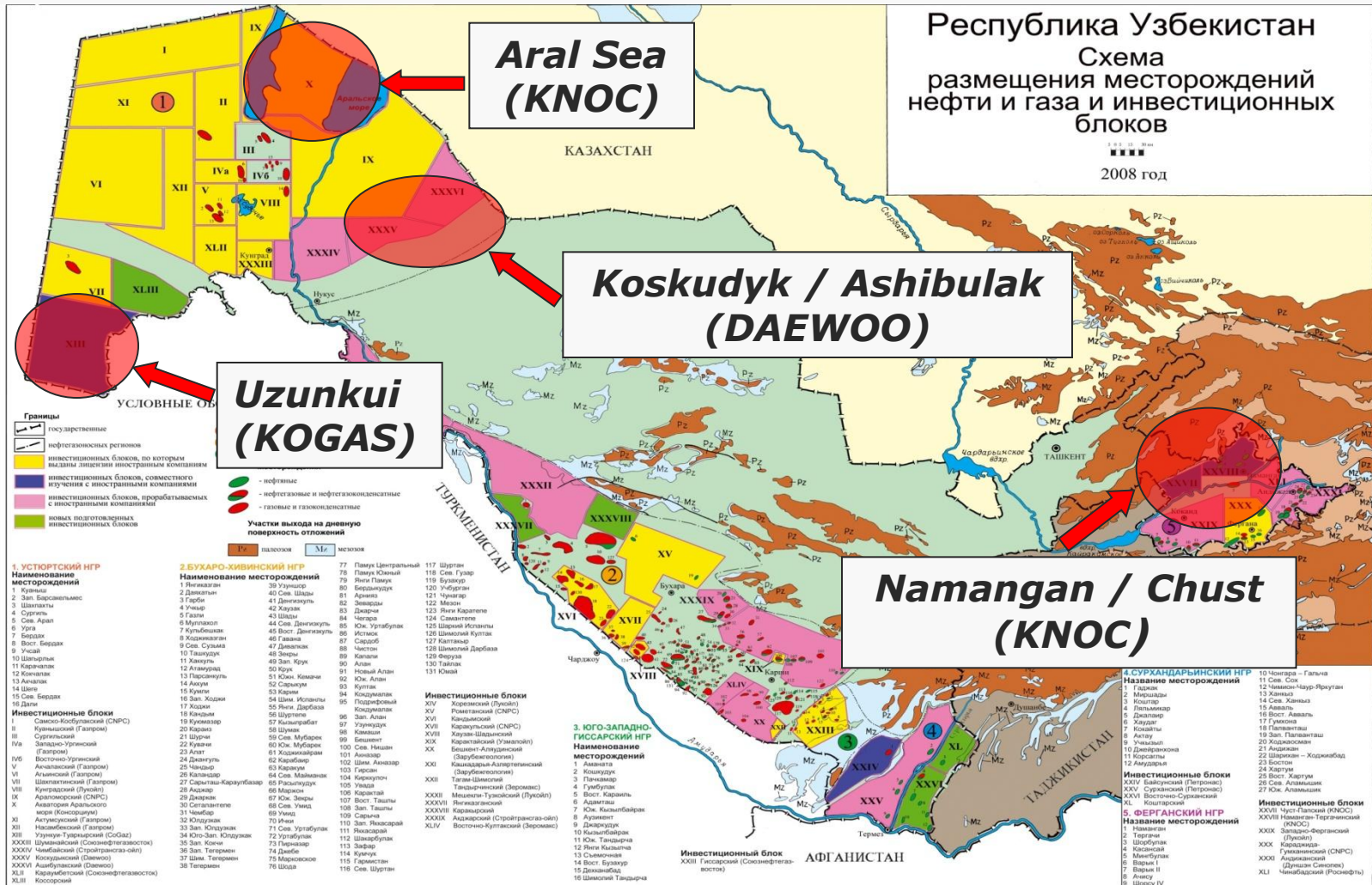
- ◆ Location : Fergana, Fergana city
- ◆ Foundation : 1996. 11.13
- ◆ Spindles : 110,000                      Loom : 132
- ◆ Capacity : Cotton Filler 20,000 ton, Weaving 1.4 mil. m/y

# 3. Korea's Investment - IT & Infra

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- ◇ **Naboiy Airport Development Project**
  - ◆ Korean Air and Uzbekistan Airways will jointly develop the Naboiy airport to the distribution hub of the Central Asia
  - ◆ MOU signed, 2008.05                      Project Agreement, 2008.11
  - ◆ Korean Air : Consult, Project & Airport Management
- ◇ **Uz-City Project (New Town in Sergely, 510 ha)**
  - ◆ WonYangSMA (Financing Group in Dubai & SK Securities)
  - ◆ Estimated \$8Billion Project
- ◇ **KT Started "EVO" Wireless Internet Service**
  - ◆ Undertake "Super iMax and started the service from 2008.09
  - ◆ Uzbekistan Internet Usage : 8                      ADSL : 30,000

# 4. Korea's Investment – Energy (1)

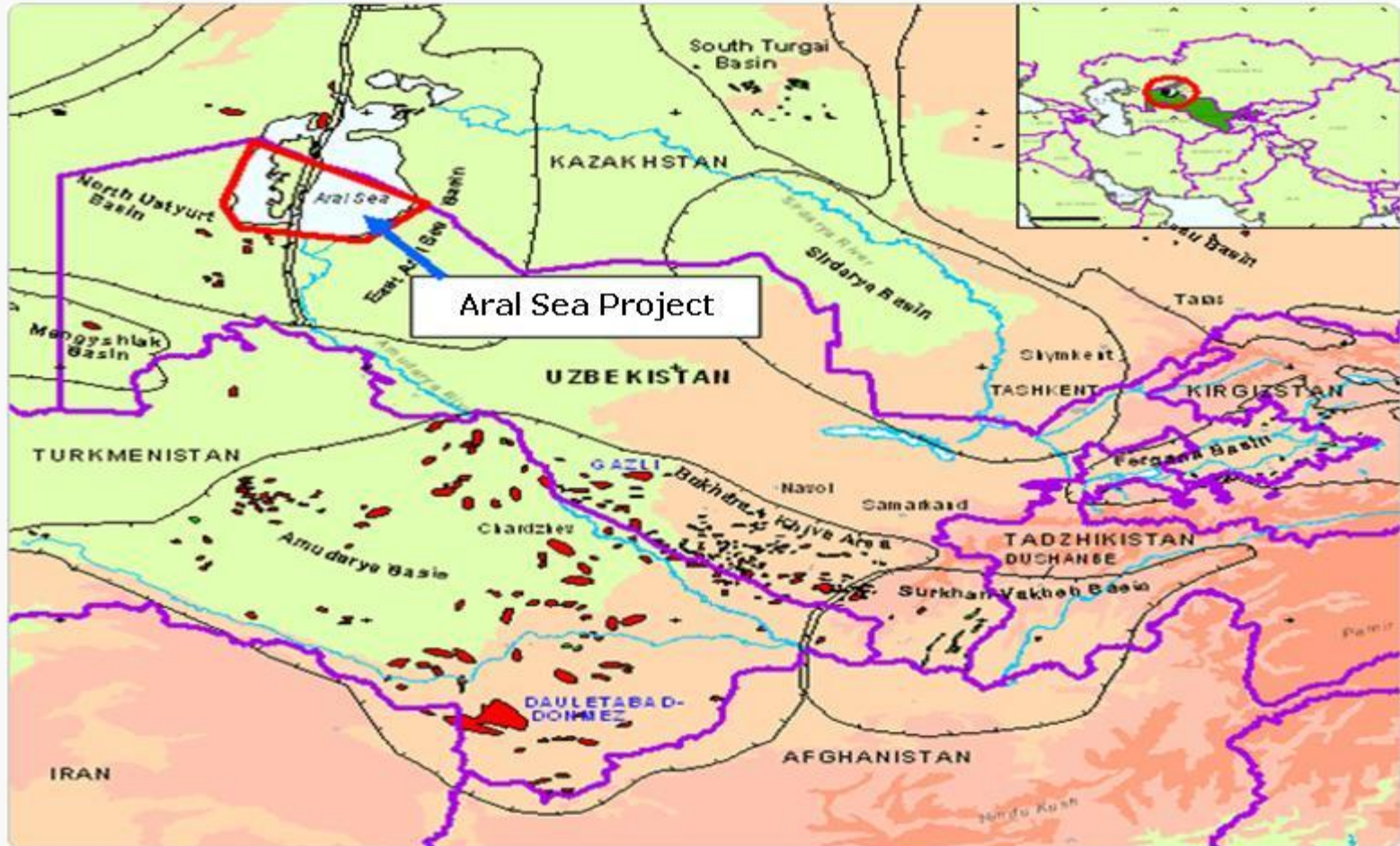


\* source : KNOC



# 4. Korea's Investment – Energy (2)

## ◆ Aral Sea Project





## 4. Korea's Investment – Energy (3)

### ◆ Aral Sea Project

- ◆ 2006.8 PSA , 35 years (5 yrs exploration, 30 yrs production)
- ◆ Investment Obligation : 99.8 million dollars (KNOC : \$20 mil.)
- ◆ Probable Reserve : Natural Gas approximately 220 Bcm
- ◆ International Consortium : KNOC, Uzbekneftegaz, Lukoil, Petronas, CNPC; 20% each

*(As of Sep. 2008)*

Block	Operator	Korean Equity (20%)		Contract Type
		KNOC	POSCO	
Aral Sea	Aral Sea Operating Company	10.2	9.8	PSA

## 4. Korea's Investment – Energy (4)

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- ◇ Uzunkui Project
  - ◆ Estimated Investment : \$ 62.4 mil.
  - ◆ Probable reserve : 84 mil. ton
- ◇ Koskudyk / Ashibulak Project
  - ◆ Koskudyk 35 yrs, Ashibulak 36 yrs (Exploration 5 yrs)

Block	Company	Contract Type
Uzunkui	KOGAS	Joint Study Agreement (2008. 05)
Koskudyk/Ashibulak	Daewoo (100%)	Exploration Agreement (2008. 02)

# 4. Korea's Investment – Energy (5)

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- ◇ Surgil gas field development & gas chemical plant
  - ◆ 2008.05.08 establish gas chemical joint venture company
  - ◆ Korean consortium 50%, Uzbekneftegaz 50%
  - ◆ Estimated investment : \$960 mil.
  - ◆ Probable reserve : 84 mil. ton

## 4. Korea's Investment – Energy (6)

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- ◇ **Namangan / Chust Project**
  - ◆ **Probable reserve : 815 mil. bbl (Namangan 435, Chust 380)**
  - ◆ **Equity : Korea 100% (KNOC 50%, SK Gas 15%, KyungNam 10%, Samchully 10%, POSCO 10%, Shinhan Bank 5%)**

Block	Company	Contract Type
	Korean Consortium	
Namangan/ Chust	100%	Exploration Agreement (2008. 07)

# 5. Conclusion

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- ◇ Investment of Korea in Uzbekistan is recently increasing, but still relatively small yet
- ◇ More Possibility for Energy, IT, Infra, Finance, Automobile, etc
  - ◆ Energy investment in Uzbekistan is relatively smaller than other industries yet
  - ◆ Energy can be a bridgehead for further investment in other industries in the consideration of the Korea/Uzbekistan's economic structure and policy

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**Thank You**