



BISNIS BULLETIN



Published by the Business Information Service for the Newly Independent States (BISNIS)
U.S. Department of Commerce • International Trade Administration

May 2001

ARMENIA'S TOURISM SECTOR DEVELOPS

by Melissa Walters

Armenia's tourism sector is steadily growing and holds potential for U.S. investment in the fields of hotel construction and ecotourism development. At present, there are not enough hotels in Armenia to support the growing number of visitors. Tour companies estimate the demand for hotels to be three times greater than the supply. Plans for hotel construction are already in the works, with completion dates slated for May 2001. Bed and breakfasts (B&Bs) are also making an appearance, providing additional means of accommodation. Often private homes will rent out available space to tourists. Armenia's lack of adequate tourist accommodations creates a real opportunity for interested U.S. companies.

This year, in particular, Armenia will see a growth spurt in tourism as it celebrates its 1700th anniversary of the adoption of Christianity as the state religion. Early predictions estimate 500,000 tourists will visit Armenia for this historic event, with each tourist injecting \$1,000 into the local economy. In addition, the second annual Armenia Diaspora Conference will be held in Yerevan this September, the first of which, in September 1999, brought more than 1,200 people from nearly 70 countries to Yerevan. Notwithstanding these two major events, Armenia's rich history never fails to attract a significant number of tourists each year who come to explore the Great Silk Road

heritage, pre-historic and early Christian monuments, archaeological sites and excavations, hiking, mountain climbing, skiing, wine and brandy tasting tours, and various other cultural activities.

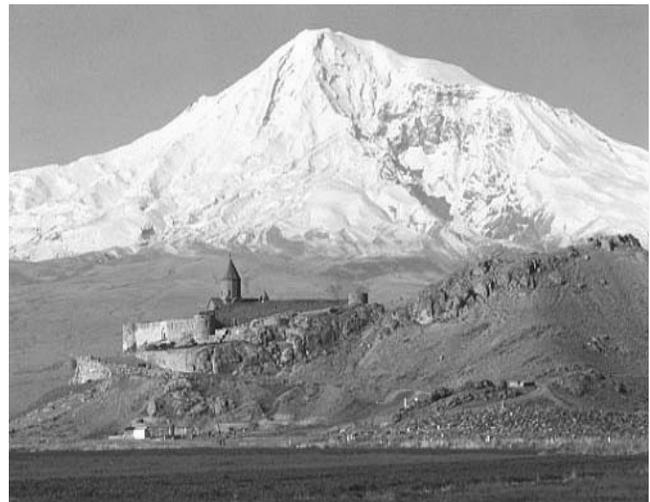


Photo by Patker Photo Agency

Khor Virap monastery (Armenia) and Mt. Ararat (Turkey)

Typically, most visitors to Armenia have been diaspora Armenians from Europe and the United States. The Armenian diaspora population worldwide is estimated at 5 million, with an estimated 1.5 million residing in the United States. In addition to diaspora Armenians, there has also been an influx of educational and leisure tourists traveling to Armenia.

U.S. Presence

Among the U.S. companies actively offering tourist services in this region are the **MIR Corporation** (Seattle, Wash.), **Levon Travel** (Glendale, Calif.), and **Geographic Expeditions** (San Francisco, Calif.). All of these firms have several years of experience in this region and arrange such travel services as airfare, hotels, transportation, and cultural and custom-designed tours. MIR Corporation and Geographic Expeditions work closely with a local ground operator to ensure quality service, while Levon Travel maintains a branch office in Yerevan to assist with tourism services.

Hy-Business Suites was founded in Yerevan in 1997 as an American-owned hotel/business center. The total

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MIOGE 2001

Moscow, Russia

June 19–22, 2001

6th International Oil & Gas Exhibition and 10th Conference

Organized by: **International Trade and Exhibition Group (ITE)** with the support of Russia's **Ministry of Natural Resources**, the **Ministry of Energy**, and the **Ministry of Economic Development and Trade**.

MIOGE 2001 will host over 200 companies involved in the international oil and gas industry, including contractors, equipment manufacturers, and geophysical companies. All major Russian oil companies will be exhibiting. The entire district administration of Sakhalin will be present at the Sakhalin Pavilion. Delegations from Kazakhstan, Azerbaijan, Georgia, Ukraine, Belarus, and Latvia are also expected to exhibit.

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BISNIS

Business Information Service
for the Newly Independent States

BISNIS is an information resource for U.S. companies doing business in the Newly Independent States of the former Soviet Union. Operated by the **Market Access and Compliance** unit of the **International Trade Administration**, **BISNIS** disseminates information in print form, electronically, and through consultations by its staff of trade specialists. For more information, please contact:

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Articles by non-U.S. government employees express the views of the authors and should not be construed as a statement of U.S. government policy.

BISNIS-WIIT RUSSIA BRIEFING

On April 11, **BISNIS**, together with the Washington, D.C. association of Women in International Trade (**WIIT**), hosted a briefing by **BISNIS** Senior Russia Specialist Tanya Shuster on U.S. business in Russia at the USA Trade Center in Washington, D.C. U.S. participants included representatives from the services, agribusiness, and telecommunications/high-tech sectors, as well as from international financing and the U.S. government.

Ms. Shuster briefed participants on recent performance and trends in U.S.-Russia trade and discussed future prospects for U.S. companies in Russia. (For more information on this topic, please see ***BISNIS Bulletin**, April 2001*, "U.S. Exports to NIS Make Modest Recovery in 2000"). Shuster and **BISNIS** colleagues also addressed various sector-specific developments, such as the trends of U.S. consumer goods and food exports to Russia since the 1998 crisis, emergence of e-commerce in Russia and factors contributing to—and hindering—its development, and prospects in the construction and medical sectors.

*More information on these topics can be found at **BISNIS Online**, www.bisnis.doc.gov. For more information about **WIIT**, please www.wiit.org.*

TOP KAZAKH OFFICIAL SPEAKS

On April 26, **BISNIS**, with the assistance of the U.S. Kazakhstan Business Association, hosted a roundtable at the USA Trade Center in Washington, D.C., featuring keynote speaker Deputy Prime Minister of the Republic of Kazakhstan and Minister of Mineral Resources, Dr. Vladimir S. Shkolnik, on the business environment and investment opportunities within Kazakhstan's energy and mining sectors. Additional speakers included Vice President, General Counsel and Secretary William Frick of the American Petroleum Institute, Sr. Vice President of Government Affairs (IADC) Brian Petty of the Energy Services Coalition/International Association of Drilling Contractors, Vice President of International Trade Moya Phelps of the National Mining Institute, and the Executive Director of International Utility Efficiency Partnerships for the Edison Electric Institute. Remarks were offered to the 50-plus attendees by representatives from U.S. companies such as **ExxonMobil Corp.** (Irving, Texas), **Access Industries Inc.** (Memphis, Tenn.), and **Chevron Corp.** (San Francisco, Calif.). **BISNIS** Deputy Director Trevor Gunn moderated the event.

*For more information on this event and the energy and mining sectors of Kazakhstan, please visit **BISNIS Online**, www.bisnis.doc.gov/bisnis/country/kazakhstan.htm.*

FORESTRY SECTOR RECOVERS IN THE RUSSIAN FAR EAST

by Yana Tselikova

After more than a decade of severe recession, the forestry sector in the Russian Far East (RFE) is going through a revival. The RFE accounts for almost 40 percent of Russia's total forestry products, with about 80 percent consisting of conifers (fir, larch, and pine) and 20 percent of hardwood (oak, ash). Russian data reflect continuous production growth in the RFE's forestry sector and wood exports. Growing domestic and overseas demand for timber and lumber, combined with lack of equipment and wear and tear on existing equipment, provide obvious commercial opportunities to U.S. exporters interested in either investment or export possibilities in this region.

Market Overview

Of the 10 administrative territories and regions within the RFE, only 4 (Khabarovsk Krai, Primorskiy Krai, Sakhalin Oblast, and Amurskaya Oblast) have productive and accessible timber resources, and constitute the majority of the RFE's forestry sector.

Most of the harvesting methods and equipment used in the RFE's forestry and woodworking sectors are still extremely outdated, leaving tremendous amounts of waste. The absence of secondary manufacturing equipment to utilize lower-grade timber also significantly reduces economic harvest levels. Moreover, there is no serious local production of forestry equipment in the RFE, although domestic manufacturers are trying to increase their market share and have actively started to develop local distribution channels. Efficiency and maximum use of harvested timber are important issues now for the RFE's forestry and woodworking industries, creating real opportunity for exports of U.S. technology and equipment.

The local wood-processing industry remains extremely underdeveloped. The longer return on investment in the wood-processing business compared to that in logging operations, and the lack of working capital to be reinvested both account for the relatively low rate of development in the woodworking sub-sector. At the same time, local exporters are becoming increasingly interested in exporting value-added wood products and lumber rather than raw logs. Current trends in exporting processed wood products, a growth in domestic consumption (construction and furniture manufacturing), and an evolving demand for conifer lumber in the Pacific Rim will result in increased demand in the domestic market for woodworking machinery.

Best Prospects in Woodworking Equipment

The best prospects in forestry equipment and machinery are: band and chain saws, log handling equipment (skidders, lifters, and forwarders), and harvesting machinery. Logging companies have a special interest in highly maneuverable harvesting equipment and heavy machinery that produces low

ground pressure, minimizing topsoil damage. Additional products in strong demand are chippers, drum debarkers, chip bins, rotary peelers, and wood-working machinery such as sawmill machines; plane, mill, and molding machinery; grind, sand, and polishing machines; and dry kilns. Projected demand for waste-treatment equipment is also growing. Second-hand, moderately priced equipment will have better prospects in the RFE market than their newer, more expensive counterparts. The majority of forestry equipment end-users are medium-sized and small businesses, many of which operate under severe financial constraints. Typically, this category of customer is extremely price sensitive and interested in exploring credit terms and flexible payment schemes.

U.S. Presence

U.S. harvesting and woodworking machinery was not traditionally used in Russia. However, U.S. equipment has quickly won high respect by local companies for its superb quality and reliability. **Oregon Cutting Systems Division of Blount, Inc.** (Portland, Ore.), **John Deere** (Moline, Ill.), **Caterpillar** (Peoria, Ill.), **Wood-Mizer Products** (Indianapolis, Ind.), **Hamre Equipment** (Chico, Calif.), and **Koetter Dry Kiln** (Borden, Ind.) are well known in the RFE, selling their equipment through Russian distributors and agents. Although considered highly risky, the RFE's forestry sector has attracted U.S. investment into several projects.

Third Country Presence

European (Finnish, Swedish, German, Italian) companies have a strong reputation in local markets for the quality

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Participate in the U.S. Commercial Service Catalog Show at DallesExpo Khabarovsk, Russia May 22–25, 2001

Display your product literature and explore industry potential at the annual RFE forestry/woodworking equipment and technologies trade show.

For information on the Commercial Service Catalog Show, contact Yana Tselikova at yana.tselikova@mail.doc.gov or by fax at +7 (509) 851-1211.

(TOURISM, continued from p. 1)

investment for this hotel was in excess of \$450,000, including construction and furnishings. In 1998, two major hotels, the **Armenia** and the **ANI** were privatized through international tender and purchased by American investors, with total investment commitments reaching \$22 million and \$11 million, respectively. The Hotel Armenia is currently managed under contract by **Marriott International** (Wash., D.C.).

Tourism Development in Armenia

The government of Armenia has placed a heavy emphasis on promoting this sector, thus the infrastructure of tourism within Armenia is gradually developing. Moreover, Armenia is now host to three tourism associations: Armenian Ecotourism Association (ARMECAS), Armenian Tourism Association (ATA), and Armenian Union of Tourism Development (NOY). The ARMECAS has undertaken a number of projects, including the Tourist Information Center, funded through the Eurasia Foundation. This Center succeeded in the successful launch of the TourismArmenia website (www.tourismarmenia.com), offering a wealth of information on tourism in Armenia. Last year the ATA published its first issue of *Tourism* magazine, a publication devoted entirely to issues surrounding tourism in Armenia. ATA is also working closely with the International Executive Service Corps (IESC) to establish the School of Tourism Management.

Several international organizations, such as the World Bank, the Eurasia Foundation, and the Overseas Private Investment Corporation (OPIC), have also played a role in the development of tourism in Armenia. Armenia's upcoming Investor Conference in New York City, sponsored by the International Finance Corporation, the U.S. Trade and Development Agency, and the World Bank, will showcase several selected projects as investment potential across various sectors, including tourism. The Eurasia Foundation recently announced two new aid grants (\$66,000 total) to support the Tourism Support Center and the Armenian Tourism Association. OPIC's \$18 million loan—the first OPIC finance deal in Armenia—succeeded in aiding **A.K. Development LLC** (Cambridge, Mass.) with the purchase of Hotel Armenia during its privatization in 1998.

Private contributions have also added to Armenia's tourism development. Last November, the Lincy Foundation granted Armenia \$65 million in aid. This money is earmarked for road improvement, restoration of cultural monuments, and the development of tourism and small and medium-sized business entities in Armenia. Tourism infrastructure proposals for this money include the construction of new hotel facilities at Lake Sevan and Tsakhgatzor ski area.

The potential for Armenia's growth as a tourist destination should increase even more once the long-standing conflict with Azerbaijan reaches settlement.

*For more information on Armenia, please visit **BISNIS Online** at www.bisnis.doc.gov/bisnis/country/armenia.htm.*

*Melissa Walters covers tourism for **BISNIS** in Wash., D.C.*

(FORESTRY, continued from p. 3)

and advanced features of their equipment. Japan has been the RFE's strategic partner in this sector for over 20 years, and ranks number one for sales of forestry equipment there. Today, the Japanese are mostly active in the local forestry/wood-processing industries as buyers of timber and lumber products, as well as partners in joint ventures.

Export Potential to the Pacific Rim

Exports are the backbone of the RFE forestry sector as well as a powerful vehicle for its future development. The industry strongly depends on the existing and future status of Pacific Rim timber markets, which appear to be steadily expanding. Japan, the world's second largest timber importer, is the unrivaled leader in timber trade with the RFE. There is a growing demand for timber in Japan due to high domestic production costs, indicating new export potential for the RFE forestry sector. Moreover, China's timber import market is expanding enormously. The liberalization of China's import climate and removal of import tariffs on logs and lumber have boosted timber inflows to China from abroad, including Russia. Russia's share of Korean conifer imports is modest, but expected to grow.

Entering the Market

Distribution through a local agent is one of the best vehicles to penetrate the RFE market. Even if a U.S. firm has a distributor/agent in western Russia, the remoteness and local specifics of the RFE market do not allow it to be covered from such a huge distance. Locals have better access to end-users and can be especially valuable when it comes to the complicated and intricate issues of getting equipment certification, permissions, and customs clearance.

Direct sales are also a highly productive way of selling products in the RFE, if done in person. At the same time, a considerable share of the potential customers and end-users are small to medium-sized companies, sometimes located in the middle of the taiga, and not easily accessible to foreign vendors. Extremely high costs, associated with either regular travel or presence, make the direct sales approach affordable to only a few companies or industry leaders.

Joint ventures in this industry are associated with high risk, although local resources, low overhead and labor costs, and access to the rebounding Asian markets present obvious opportunities to businesses with real entrepreneurial drive. U.S. companies must be oriented toward long-term relationships, invest time and money in promoting their products, and be ready to provide flexible sales terms and conditions.

*For a more detailed report on the RFE forestry sector, visit **BISNIS Online** at www.bisnis.doc.gov/bisnis/country/010131rfe_forestry.htm.*

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OPPORTUNITIES ABOUND IN AZERBAIJAN'S CONSTRUCTION SECTOR

by Seymour Khalilov

The construction market in Azerbaijan, originally composed of a state-controlled monolith, has rapidly transformed into several upstart architectural, design, and building firms with a thirst for the latest Western technologies and building materials. A lack of adequate financing resources often forces Azeri construction companies to rely on private capital. However, for targeted proposals backed by trade financing there is potential business growth for U.S. firms. Residential and commercial renovation, construction related to the oil and gas sector, and demand for modern construction equipment and materials are key elements of future market growth. Large-scale development projects, particularly prefabricated housing and warehousing for the oil and gas industry, portend huge potential in procurement needs during 2001–2003.

Market Development

Although most of the infrastructure of Azeri construction companies is based on Soviet legacy, Azeri construction managers realize the importance of western technologies and construction equipment. The oil boom in Azerbaijan from 1994–1999 fueled demand for quality construction materials and services. Azeri industry could not meet demand, thus Turkish construction companies along with private contractors moved into the market. Recently, local private companies have gained a stronger market share providing post-project maintenance.

Market Snapshot

Today's construction market in Azerbaijan is more results-oriented, time sensitive, and largely rejects low quality materials and workmanship. A key element in this market is the ability to carry large inventory, with a broad selection and stock—something that poses a financial challenge and risk to many Azeri construction firms.

Most construction work in Azerbaijan is based on stone and brick, which are locally available and very cheap. Residential construction primarily consists of monolithic frame house apartments built with reinforced concrete. This style is commonly used in Baku and many other regional centers of Azerbaijan, in order to respond to market demand for building reinforcements against natural disasters such as landslides and earthquakes. Azeri construction firms are interested in developing more modern building methods, particularly frame houses based on metal construction. The import market for construction materials in Azerbaijan depends on two key clientele: the oil and gas consortia and commercial and residential demand fueled by the Azerbaijani elite.

Opportunities for U.S. Companies

The Azeri construction market has several opportunities for U.S. companies to consider. First, Azeri construction companies are in need of top quality materials and there is no quality local production. Azeri-made construction materials

are sporadic in supply, do not see strong demand, and are simply non-competitive with imported materials. Secondly, Azerbaijan hosts an expanding oil and gas industry, opening up new opportunities for industrial construction and infrastructure. Moreover, all imports under production sharing agreements signed by the international oil consortia are free of value added tax (VAT) and customs duty.

The following construction materials are now considered to be in demand and represent opportunities for U.S. firms:

- assorted woods for parquet floors and finishing;
- ceramic products (tiles, mats, etc);
- doors, insulated windows, and window frames;
- drywall;
- architectural, construction, and engineering services;
- heat, ventilation, and air conditioning systems;
- building materials suited for extreme temperatures;
- open vinyl sidings;
- sanitary engineering and lighting accessories;
- varnish paints;
- various types of wallpapers; and
- water and sound proofing materials.

These building materials can be found on the Azeri market, mostly traded out of Turkey and Dubai and perceived to be of lesser quality.

The long-term leasing of construction equipment also presents opportunity for U.S. firms. Leasing of earthmovers, bulldozers, small forklifts, etc.—particularly targeted at the oil patch—can be a commercially viable business. This will become increasingly prevalent throughout 2001–2003, when major design and construction tenders for offshore oil and gas fields and hydrocarbon transportation will be announced.

Entering the Market

U.S. companies should consider a few key points before entering the Azeri construction market. Azeri importers often lack strong financial backing with purchases based on private capital thus limiting longer-term purchasing power. An irrevocable letter of credit confirmed by a Western bank is strongly recommended for any initial transaction with an Azeri customer. In addition, the Azeri market is not fully developed, the risk environment is high, and banks do not typically offer commercially reasonable credit terms. Moreover, Azeri legislation, customs, and tax environment are challenging and can make doing business in Azerbaijan difficult. It is also wise to let the Azeri importer handle the customs clearance to avoid unnecessary delays.

*For a longer report on construction in Azerbaijan, please visit **BISNIS Online** at www.BISNIS.DOC.GOV/BISNIS/ISA/ISA-CONSTR.HTM.*

Seymour Khalilov is the BISNIS representative in Baku.

TRICKS OF THE TRADE**OPENING AN OFFICE IN CHISINAU, MOLDOVA**

by Iulian Bogasieru

The activity and registration of companies in Moldova are regulated by three main acts: The Law on Enterprises and Entrepreneurship, the Law on Joint-Stock Companies, and the Governmental Decision on Commercial Societies. A foreign company in Moldova may register as one of the following entities: sole proprietorship, general partnership, limited partnership, limited liability company, joint stock company, cooperative, leasehold enterprise, and state or municipal enterprise. New companies must register with a local branch of the Registration Chamber of the Ministry of Justice.

Office Rental

Office space is readily available in Chisinau in a variety of forms. By certain accounts, 80 percent of office space available is in formerly state-run enterprises. These old buildings are in need renovation and very often are without heat or proper access to telephone lines. Ordinary apartments have also been extensively used as office space, most notably in downtown Chisinau. Such buildings are usually refurbished and provide adequate conditions. Most hotels in Chisinau also provide office space for rent. However, only one of these hotels provides office space meeting western standards, including telephone lines, non-centralized heating systems, and air conditioning. High-rise buildings have recently appeared on the commercial space market in Chisinau and offer excellent office space, including air conditioning, heating independent from the centralized city supply, backup electric generators, telephone lines, wiring for communications via satellite, security and safety systems, parking lots, cafeteria, drug store, and even a beauty parlor. Companies may find office space advertisements through newspapers, real estate agencies, and electronic media.

Labor Market

Chisinau can provide a variety of skilled personnel. Traditionally having chosen French as a second language, Moldovans are now switching to English. The average monthly salary for 2000 was calculated at \$33. As of April 1, 2001, the minimum monthly salary was set at \$8. Western companies operating in Moldova usually pay above the average, with typical entry-level salaries at \$100. Companies may recruit personnel through advertisements in local media and local recruitment agencies or by contacting foreign companies already present on the Moldovan market.

Equipping an Office

Moldova has several furniture factories producing a wide range of mostly wood furniture. Their main specialization is home and kitchen furniture, but they can also manufacture office furniture. Foreign-made office furniture is also avail-

able, primarily from Italy, the Czech Republic, and Poland. Some shops in Chisinau use imported raw materials and Western designs to tailor-build furniture. As of March 1, 2001, furniture prices fall in the following price ranges: chairs \$20–70; leather armchairs \$150–460; desks \$50–220; bookshelves \$70–310; and filing cabinets \$310–350.

Telecommunications

Moldtelecom, the former state telephone monopoly, is the sole company offering non-cellular telephone service in Moldova. Recently, Moldtelecom has upgraded its telephone equipment. The installation of a phone line connected to digital equipment costs \$85. Some parts of Chisinau have only analog lines, which cannot connect to digital lines. The installation cost in this case is lower—\$67. All telephone systems incur a monthly service fee of \$1.30. The installation of a dedicated phone line costs \$114, with a monthly service fee of \$3.20. Moldova also has two mobile telephone companies: Voxel and Moldcell. Voxel has wider area coverage than Moldcell and charges anywhere from 6 to 47 cents per minute, depending on the call time and service package. For an additional fee, both companies provide roaming access to most countries of Europe and the CIS. However, there is no roaming access within the United States.

There are many Internet companies in Chisinau, although most of these are subproviders. The most important direct Internet providers are Riscom SRL, Relsoft SRL, Moldtelecom IS, Mega Dat SRL, and DNT Association. All Internet providers offer services to meet the needs of both corporate and individual clients.

Business Services

Chisinau has several printing companies offering a variety of services. Prices vary depending on quality, complexity, and size of the order. Based on a minimum order of 100 one-sided business cards, prices can range from \$4.50 to \$62. For 100 two-sided business cards, the price can range between \$5 to \$70. Advertising in newspapers is usually the most affordable means of publicity for local companies. Rates in the newspaper vary from 40 cents to \$1.20 per one square centimeter. All major U.S. express delivery companies have offices in Moldova, including **Airborne Express** (Seattle, Wash.), **DHL** (San Francisco, Calif.), **Federal Express** (Memphis, Tenn.), and **UPS** (Atlanta, Ga.).

*For a longer report on opening an office in Chisinau, including key contact information, visit **BISNIS Online** at WWW.BISNIS.DOC.GOV/MOLDOVA.HTM.*

*Iulian Bogasieru is the **BISNIS** representative in Moldova.*

REGIONAL CORNER: *Khorezm, Uzbekistan*

By **Umida Khaknazar**

Uzbekistan's Khoresm Province (6,300 sq km) is located in the northwest of the country in the lower reach of the Amudarya River. The region's population exceeds 1.2 million. The province is divided into 10 administrative districts with Urgench as the administrative capital. Urgench's airport services Central Asia, Russia, and other NIS countries.

Historically, Khoresm was one of three major Central Asian Khanates (Bukhara, Kokand and Khoresm) and one of the main checkpoints along the Silk Road. The people of Khoresm traditionally have been strongly involved with arts, crafting, carpet weaving, architecture, and construction. During the Soviet period, Khoresm's primary industrial sector became agriculture, specifically cotton production and processing. Over time, Khoresm's water system was damaged, and presently the water in Khoresm is not drinkable. Today, the lack of water purifying technologies is one of the most critical issues in the region, presenting opportunity for U.S. companies in this industry.

Post-Soviet times can be characterized by the government's attempt to revive traditional industries such as food processing and packaging, cattle breeding, wine production, textile and silk processing, and sugar processing. The cotton industry is also in need of reforms to update its processing technology for the eventual manufacture of knitted products, apparel, and fabrics.

Best Prospects

Opportunity for U.S. investment exists in various industries. The Urgench Oil processing factory was established in 1977 and privatized in 1992. The company primarily manufactures cottonseed oil. Due to lack of cottonseed, the factory began to import soybean from the United States for oil processing. The factory is in need of raw materials and updated technology.

Khiva Carpet factory was established in 1977, privatized in 1996, and boasts annual carpet production of 1 million square meters. Over the past decade, the factory has faced problems caused by a lack of availability of high-quality wool. Locally produced wool is not compatible with the factory's technology, and it could not afford to import high-quality wool. As a result, Khiva has been manufacturing synthetic carpets of low quality that are not competitive for exporting. Recently, Khiva signed a joint venture agreement with a German company to provide new technology applicable for processing locally-produced wool. Khiva is interested in expanding production, upgrading its technology, and importing high-quality wool.

A local sugar refinery was built in 1998 and remains completely state-owned. The factory currently operates with a variety of Turkish, German, Italian, and U.S. built equipment. The sugar is refined from locally grown sugar beets. However, output is overly dependent on the inconsistent local beet crop. While the refinery's demand for unrefined sugar beets remains high, the facility is now looking to concentrate on its refinery work.

Tourism also offers opportunity for investment. One of the main tourist spots of the country is the city of Khiva, former capital of the Khanate. Khiva celebrated its 2,500 year anniversary in 1997, stimulating local entrepreneurs to open bed and breakfasts (B&Bs) in traditional Khiva style at a relatively inexpensive price. The average cost for one night in a B&B varies from \$15 to \$20. Additional opportunity in the tourism sector includes importing U.S. expertise to aid development of the tourism infrastructure.

*For a longer report, visit **BISNIS Online** at WWW.BISNIS.DOC.GOV/BISNIS/COUNTRY/UZBEKISTAN.HTM.*

*Umida Khaknazar is the **BISNIS** representative in Uzbekistan.*

AGENCY SPOTLIGHT

Multilateral Investment Guarantee Agency (MIGA)—The World Bank Group's MIGA recently redesigned and expanded the services of its online privatization investment resource center for emerging markets, PrivatizationLink (WWW.PRIVATIZATIONLINK.COM). This site now offers information on privatization transactions, company profiles of state-owned enterprises and tender announcements, privatization laws, procurement notices for advisory services and technical assistance, and national privatization programs including country overviews, sector restructuring strategies, and privatization project status reports. All information is free and easily accessible.

In February 2001, the Kazakhstan customs authorities, in cooperation with the **U.S. Agency for International Development (USAID)**, launched their first customs web site (WWW.ALMATY.KEDEN.KZ), offering a range of customs tips and information to make the country's customs clearance procedures more efficient and transparent for individual travelers and businesses. The web site also offers a way to report complaints of problems or misconduct by local customs officials to help reduce corruption and smuggling at the borders. While most of the information is in Russian, an English-language section has also been launched (WWW.ALMATY.KEDEN.KZ/CFPE/). *Derek Nowek covers customs issues for **BISNIS** in Wash., DC.*

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Washington, DC 20230

FIRST-CLASS MAIL
PRE-SORTED
POSTAGE & FEES PAID
ITA/DOC
PERMIT No. G-54

OFFICIAL BUSINESS
Penalty for Private Use, \$300

TRADE EVENTS CALENDAR

Sport & Leisure	May 30–June 2, 2001	Samara
Organized by:	EXPO-VOLGA	
Telephone:	+7 (8462) 99-39-93	
Facsimile:	+7 (8462) 99-37-22	
Email:	exvolga@transit.samara.ru	
Sectors:	sporting goods	
Holiday	May 31–June 3, 2001	Chisinau
Organized by:	MoldExpo	
Telephone:	+373 (2) 74-74-19, 74-57-96	
Facsimile:	+373 (2) 74-74-20	
Email:	moldexpo@ch.moldpac.md	
Website:	WWW.MOLDEXPO.MD	
Sectors:	spa and travel packages and tours	
International Medical Forum	June 19–22, 2001	Nizhny Novgorod
Organized by:	Yarmarka	
Telephone:	+7 (8312) 77-55-90	
Facsimile:	+7 (8312) 77-56-74	
Email:	yarmarka@yarmarka.ru	
Website:	WWW.YARMARKA.RU	
Sectors:	medical equipment and technologies	
Seafood 2001	June 21–23, 2001	Khabarovsk
Organized by:	Far Eastern International Trade Center	
Telephone:	+7 (4212) 34-39-67	
Facsimile:	+7 (4212) 34-39-26	
Email:	dvmtc@dvmtc.khv.ru	
Sectors:	seafood processing, preserving and packing technologies, equipment, etc.	

*The U.S. Trade and Development Agency and the
U.S. Department of Commerce present :*

Major Eurasian Telecom & IT Project Opportunities for U.S. Suppliers

**Brussels, Belgium
June 24–26, 2001**

**Learn about 25 new and promising
telecommunication and IT infrastructure
projects from the NIS and Turkey**

Projects will focus on privatization of state-owned telecom/network operators, internet infrastructure equipment sales, web security hardware and software, call centers, and more. Participants will receive Project Resource Guides containing project details and detailed country and sector profiles.

For more information, see WWW.TRADEMEETINGS.COM/TDABRUSSELS.HTM or contact: the MFM Group, Inc. at tda@mfmgroup.com or tel. +1 (305) 667-4705.

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