

OPEN DIALOGUE WITH ENTREPRENEURS

Questions and Answers

QUESTION 1

We have submitted documents to Xalq Bank to import sheep from Mongolia. However, the loan is not being approved because of difficulties in obtaining an environmental impact assessment. We ask for practical assistance on this matter.

ANSWER

Xalq Bank representative: This project is to be financed from a credit line of the French Development Agency. Under the credit line requirements, an environmental impact assessment must be obtained. To this end, we will contact the relevant environmental authorities through the bank's head office and take steps to resolve the issue within one week.

Central Bank representative: Xalq Bank's branch in the Republic of Karakalpakstan and its head office should assign a manager responsible for the project. Bank representatives must work directly with the relevant national and regional environmental authorities and provide practical assistance to the entrepreneur. An instruction was given to clarify and resolve this matter by 15 October. It was also decided that the relevant departments of the Central Bank would monitor the request.

QUESTION 2

Importing sheep from Mongolia is one of the areas supported by the state. Subsidies are also provided for livestock transportation costs. However, when applying for loans, farmers are sometimes required to submit 16 to 20 documents. Although a livestock farmer's main job is to raise animals and develop the farm, much of their time is spent preparing documents. It was therefore proposed to assign dedicated managers to livestock projects, provide explanations and templates for the required documents, and establish a system of practical support for farmers during the loan process. It was also noted that the seasonal factor is important when importing livestock from abroad, and that delays in financing affect the ability to complete imports before the cold season begins.

ANSWER

Xalq Bank representative: Additional documents are requested because of the requirements of foreign credit lines. Proposals to simplify these requirements are currently being prepared. For example, obtaining an environmental impact assessment sometimes takes one to two weeks. Other clients face similar situations. Proposals to simplify the documentation are therefore being developed together with the project teams working with foreign credit lines and the relevant

organisations.

Central Bank representative: Using this farm's project as an example, the systemic problems in financing livestock farming need to be studied. Xalq Bank should set up a working group of five to six specialists in project finance and compile the documents and problems received from the regions. It was also proposed to develop a separate banking product for financing livestock projects.

QUESTION 3

If obtaining an environmental impact assessment takes time, the possibility of financing projects from other available funds until this document is issued should also be considered. It is also important to reduce the number of documents required under foreign credit lines. Work on this is also under way with the Ministry of Economy and Finance, and it is proposed to cut the number of documents by as much as half. Delays in financing should not hinder increased production of livestock products, including meat and milk.

ANSWER

Central Bank representative: From the standpoint of curbing inflation, the Central Bank supports initiatives aimed at increasing the supply of goods on the domestic market. It is therefore necessary to study the problems in financing livestock projects systematically, compile the documents received from the regions and consider alternative financing options. Proposals are to be prepared together with the relevant organisations and submitted to the Government on developing a separate loan product for livestock farming, simplifying environmental assessment procedures and removing existing barriers. The Xalq Bank representative said proposals on the existing systemic problems would be submitted on Monday.

QUESTION 4

On 25 August we submitted all the required documents to Agrobank's district branch to import 200 sheep from Mongolia. Although 45 days have passed, the preferential loan has still not been approved. We contact the bank almost every day. We have re-executed the contracts four or five times. We provided collateral worth UZS 720 million for a loan of UZS 480 million. Even so, additional calculations on the collateral are being requested. Could these calculations be done after the livestock has been brought in? We ask for help in resolving the financing issue.

ANSWER

Agrobank representative: We are currently in contact with the relevant specialists and are working to review the project documents and address any shortcomings.

Central Bank representative: The entrepreneur submitted the documents on 25 August. Had the bank reviewed the application on time, the livestock import could already have started or even been completed. Prolonged financing increases seasonal risks. The onset of the cold season may create additional difficulties in transporting and keeping livestock. This shows the need to improve systems for tracking applications at banks. Bank management and responsible specialists should be aware of incoming applications, their review stages and existing obstacles. It was also recalled that

on 23 April the Central Bank sent banks a letter on loan insurance. The dialogue noted the issue of banks covering loan-related insurance costs at their own expense. Accordingly, Agrobank was instructed, provided the entrepreneur's documents meet the requirements, to cover the loan insurance at the bank's expense and to complete the financing by Monday at the latest. It was emphasised that insuring the risks of transporting livestock from abroad is a separate matter from loan insurance. The Deputy Chairman of Agrobank's Management Board was tasked with personally overseeing the request, maintaining direct contact with the entrepreneur and reporting to the Central Bank on the work done. It was also requested that the responsible bank executive's phone number be shared in the dialogue chat so that the entrepreneur can contact them.

QUESTION 5

Our farm is engaged in fish farming. We have already prepared the land needed to raise 100,000 fish. We also intend to develop livestock farming by importing 300 sheep from Mongolia. However, our company was placed on the negative list because of debt on a loan previously taken from Ipoteka Bank. We repaid most of the loan from our own funds. UZS 45 million of debt now remains. Once we repay it in full, we ask for help in removing our company from this list.

ANSWER

Question from the Central Bank representative: When do you plan to repay the remaining UZS 45 million in full?

Entrepreneur: We will repay it in full tomorrow.

Central Bank representative: After the debt is fully repaid, some technical time may be needed for the information to be reflected in the system. Taking this into account, a task was set to carry out the necessary steps within two to three days of the debt being closed to rehabilitate the company financially and include it in the list of healthy companies. The request was recorded by a responsible officer of the Central Bank. It was decided to bring the matter to the attention of Ipoteka Bank's management and monitor its implementation.

QUESTION 6

We applied to Agrobank regarding our livestock project. The bank's representatives said they would visit the pasture area to assess the project on site. However, for a month now nobody has come to examine our farm's operations. Each time they say they will visit, but there is no practical result. We ask for your help on this matter.

ANSWER

Agrobank representative: The client was asked to provide collateral. The relevant collateral documents have not yet been submitted to the bank.

Central Bank representative: Banks should not limit themselves to requiring documents and collateral from entrepreneurs. A farmer engaged in livestock farming, in particular, should spend most of their time on farm operations. Banks therefore need to establish a system of practical support for entrepreneurs throughout project financing. To this end, it was proposed to assign Agrobank's qualified project finance specialists to the regions. Specifically, the idea was raised of

engaging two specialists per region who can assess a project's financial indicators, collateral, liquidity and cash flows. Livestock projects share many similar features. It was therefore proposed to develop a separate banking product to finance projects for raising and importing sheep, cattle, calves and other livestock. The procedures established for financing cotton and grain growing were cited as an example. It was noted that in livestock farming, too, financing terms, required documents and application procedures should be clear to entrepreneurs in advance.

Agrobank's responsible staff in the Republic of Karakalpakstan were instructed to visit the farm together with the entrepreneur, inspect the pasture and assess the collateral and other aspects of the project. The need to consider using the special support mechanisms established for the Republic of Karakalpakstan was also noted. It was decided that the findings would be submitted to the Deputy Chairman of Agrobank's Management Board and reviewed together with the responsible officials. It was instructed that the entrepreneur's request be included in the general report to be submitted on Monday, and that systemic proposals be prepared on developing a separate banking product for financing livestock projects.

QUESTION 7

We own land in Oltinsoy district that we purchased at auction. We paid about UZS 1.2 billion for it. Our right to the land plot has been registered. We applied to the bank for a project related to the Government meeting of 30 September 2021 and the corresponding resolution. We ask for help in reviewing our documents.

ANSWER

Central Bank representative: It is stated that the land was acquired at auction and that the land rights and relevant government documents are in place. However, the documents need a legal review before a final conclusion can be reached. The bank specialists sent to inspect another entrepreneur's livestock project on site were instructed to then review this entrepreneur's documents and project site on the same day.

QUESTION 8

Our rabbit-breeding cluster was established on the initiative of the Head of State and in line with relevant instructions, with the participation of Mikrocreditbank. The project is located on 11 hectares. Rabbit-breeding equipment and meat-breed pedigree rabbits, including equipment for a genetics centre, were imported from Italy. Our products are sold on the domestic market and exported to Russia and Belarus. Permits have been obtained to enter the markets of the United Arab Emirates and Malaysia, and work is under way to enter the European Union market.

We have invested USD 19.5 million of our own funds in the project. The loans were taken mainly for cages, rabbits and machinery. Construction of our feed mill, equipped with Italian machinery and designed to produce 80,000 tonnes of feed a year, is 95 per cent complete. Because of the war in Ukraine, logistics routes have changed and the cost of bringing equipment in via the Baltic states has risen significantly.

The main problem now is feed supply and its high price. As a result, we have had to temporarily reduce the number of rabbits. New investors have been found who are ready to invest in completing the feed mill and expanding production. At the next stage, we also plan to produce fertiliser from rabbit manure. We are not asking the bank for a new loan. We ask that the possibility of deferring payments on existing loans for two years be considered.

ANSWER

Mikrocreditbank representative: The bank is aware of this major client's operations. According to the bank, 15 legal entities linked to the project have loans. The maturities of each loan have been extended up to four times. Overdue debt currently stands at UZS 58 billion. It was also reported that there is a collateral shortfall of UZS 173 billion, that some insurance policies have expired, and that there are issues with technical passports and cadastral documents.

Additional comment from the entrepreneur: Some of the technical passports and cadastral documents mentioned by the bank do not belong to our company. In addition, we have obtained cadastral documents for 250 hectares of land and ask that the possibility of using it as collateral also be considered.

Central Bank representative (instruction): The bank's data on loan debt and collateral, as well as the entrepreneur's objections, need to be reconciled on the basis of documents. The project's prospects, the funds to be invested by investors, the launch of the feed mill and subsequent production stages should be assessed with financial calculations. A final decision on extending the loan maturity or accepting new collateral cannot be stated without reviewing the documents.

Central Bank representative (instruction): Mikrocreditbank and the entrepreneur were instructed to reconcile information on the loan agreements, collateral, cadastral and other documents and bring it into a single consistent picture before the responsible executive returns. It was then agreed to hold a separate meeting at the Central Bank with the entrepreneur, Mikrocreditbank representatives, the responsible executive and, where necessary, the investors. Investors may also take part remotely. The request for a two-year deferral was left open; a decision will be considered after further review.

QUESTION 9

Our account used to be with the National Bank, and we are now moving to Xalq Bank. We want to import 200 sheep from Mongolia and 60 head of cattle from Russia. Our business specialises in fattening livestock for meat. However, Xalq Bank says that under Resolution No. 179 it cannot provide a loan for 10 years, only for four years with a one-year grace period. Can the loan term be reconsidered?

ANSWER

Xalq Bank representative: Among the loans previously issued for livestock projects for three, five and ten years, some were successfully repaid and others ran into problems for various reasons. When setting the loan term, it is necessary to take into account the project's characteristics, the livestock raising period, the time needed to sell the products and the payback period.

Central Bank representative: The loan term should not be set automatically at the ten years requested by the entrepreneur or the four years offered by the bank. Xalq Bank's responsible specialists in the Republic of Karakalpakstan need to collect all of the entrepreneur's documents and calculate the timelines for importing and raising the 200 sheep and 60 head of cattle, selling the meat and recovering costs. Depending on the results, another economically justified term, such as seven years, may emerge.

Central Bank representative: It was decided that the project would be reviewed within one week, the conclusion conveyed to the responsible Xalq Bank executive, and the entrepreneur then given a response.

QUESTION 10

Will a system be introduced to avoid repeated re-submission of documents for livestock loans and to accept initial applications online?

ANSWER

Central Bank representative: It was noted that the problems in financing livestock farming have become systemic. The need was expressed to develop standard banking products and a single application form for livestock farming, similar to the clear procedures in place for cotton and grain growing. It was agreed that the Central Bank, banks and the relevant agency would work together on this.

Central Bank representative: The proposal to prepare a joint document explaining the general procedures for livestock loans was supported. These mechanisms are being considered as proposals to be developed, not as procedures already in place.

QUESTION 11

How was the collateral pledged for a Turonbank loan in Nukus district valued?

ANSWER

Central Bank representative: There are cost, income and comparative approaches to collateral valuation. Bank specialists should clearly show the client, in particular, which comparable properties were used as the basis under the comparative method. It is important to visit the client

and review the documents and valuation results together.

Central Bank representative: Turonbank's regional representative was instructed to visit the collateral site together with the entrepreneur, check the valuation documents, including the comparable data, and clarify the matter. The bank representative said he would visit the site by tomorrow, and it was decided that he would report the results to the First Deputy Chairman of Turonbank's Management Board.

QUESTION 12

How is temporary debt arising from seasonal revenue in livestock, poultry, rabbit and fish farming treated?

ANSWER

Central Bank representative: The proposal was supported. A task was set to compile a list of similar cases not only in Karakalpakstan but also in other regions, and to consider solutions with the participation of the relevant responsible officials. The possibility of revising the approach to delays caused by seasonal or other objective factors that were subsequently resolved will be studied.

QUESTION 13

Our company operates a modern automated slaughter complex, works with livestock, hides and wool, and also imports livestock and supplies it to the public. We want to expand livestock supplies to citizens under the Family Entrepreneurship Programme. However, it is reported that in some mahallas, assistant khokims are refusing to accept citizens' online applications or issue recommendations, citing "no resources" or "no limit". We have livestock available and contracts for another 1,500 head. Progress on 65 head has been made in only one mahalla. The problem arises not from non-payment after products are delivered, but at the initial stage of applications and recommendations. The entrepreneur also said that when he previously supplied livestock under Resolution PQ-4998, some payments were delayed by five to ten days, which reduced his motivation to continue.

ANSWER

Central Bank representative: It was clarified that the main issue raised in the request is the acceptance of applications and the issuance of recommendations by assistant khokims. Once the relevant need is confirmed by the mahalla working group, the bank will consider the financing. The meeting stressed that resources are available under the programme and that payments for confirmed deliveries must be made on time. In particular, it was noted that there is a procedure for paying for delivered products within three days.

Central Bank representative: The entrepreneur was asked to name the specific mahallas where applications were not accepted. He named the Elabod and Kungirot mahallas. Responsible officials were tasked with examining these cases together with assistant khokims, mahalla bankers and the relevant bank representatives.

Central Bank representative: Turonbank representatives were asked whether there were any resource constraints in Bulungur district. The First Deputy Chairman of Turonbank's Management

Board said there were none. The regional bank representative also said he was ready to resolve any issues that arise.

Central Bank representative: The Central Bank representative explained that the initial application and recommendation stage is handled by the assistant khokim, not by the bank. It was also noted that the entrepreneur should supply quality livestock, while responsible officials should provide practical support with citizens' applications and the payment process.

QUESTION 14

Requirements for importing livestock from abroad have become more complex. We have a quarantine site in Russia and opportunities for cooperation there. Depending on the buyer's preference, we can sign the contract either with our company in Uzbekistan or with our firm in Russia. However, in some cases, when a client wants to sign a contract with the Uzbek company, the bank objects. We ask for clarification on this matter.

ANSWER

Central Bank representative: The meeting noted that under Resolution No. 179 and other relevant documents, cattle and small ruminants imported from abroad must have passed customs clearance and be marked with the appropriate identification tag, an ear tag. Banks are obliged to request the supporting information required by the applicable documents.

Central Bank representative: It was explained that, regardless of whether the contract is signed with the firm in Uzbekistan or in Russia, the bank's main concern is the legality of the transaction and the availability of the required documents. It was emphasised that livestock import, customs clearance and identification requirements must be complied with.

QUESTION 15

Some buyers want to sign contracts with our Uzbek company when importing livestock from Russia. Because some Russian banks are under sanctions, difficulties may arise in processing payments and contracts. Will banks object to signing livestock import contracts with our company in Uzbekistan?

ANSWER

Central Bank representative: The main requirements for importing livestock are that the import is legally executed and that supporting documents are available. It was noted that not all banks in Russia are under sanctions. Sanctions therefore cannot automatically serve as grounds for signing a contract through a local company. According to the sector representative, imported livestock must be identified (with a chip or an appropriate tag), pass customs clearance and veterinary inspection, and be supported by the required documents. It was stated that if these requirements are met, there should be no particular problem with selling imported livestock to local residents in Uzbekistan. No general permission was announced for all cases of contracting through a local company; each specific transaction will be assessed on the basis of the relevant documents.

QUESTION 16

As a livestock and fattening company in Denau district, we have several proposals. Obtaining subsidies for meat and milk requires a separate application and extra time. Could subsidies be allocated automatically by confirming product sales through invoices and proceeds received in the bank account? Could the electricity and irrigation benefits available in cotton and grain growing also be extended to farms growing alfalfa and maize for livestock feed? Could livestock farmers be given one-year preferential loans, and could local production of alfalfa, barley and maize seeds, certified seed and an agronomic advisory system be developed?

ANSWER

Central Bank representative: It was emphasised that increasing the supply of meat and dairy products is important for price stability. The proposals on simplifying subsidy allocation, benefits for fodder production, one-year loans and seed development were recorded for draft resolutions to be considered together with the relevant ministries and organisations. According to the sector representative, a benefit mechanism for pump electricity costs exists under Resolution No. 206. Specialists will separately explain to the entrepreneur how to obtain it; the funds are disbursed through the Payments Agency under the Ministry of Agriculture. Automatic payment of meat and milk subsidies based on proceeds, and extending all cotton and grain benefits to livestock farming, remain proposals for now; no decision on their introduction was announced.

QUESTION 17

Last year we were unable to obtain subsidies for a total of 96 head of livestock imported from Estonia in the names of two farms. Will practical assistance be provided on this matter? We have imported livestock through Xalq Bank several times before.

ANSWER

Sector representative: Specialists, together with the Payments Agency, will examine why the subsidy for the 96 head of livestock in the request was not allocated. It was said that they would contact the entrepreneur directly, clarify the status of the documents and payment, and review the matter in accordance with the established procedure. The meeting did not guarantee that the subsidy would be allocated immediately or paid within a specific timeframe.

QUESTION 18

I have taken loans from Xalq Bank three times and fulfilled my obligations. To expand my livestock business, I now want to bring in 165 head of cattle on a single flight. The property I can pledge is valued at UZS 8 billion, but this is not enough to meet the required collateral. Is it possible to use a guarantee or another support mechanism to obtain the loan?

ANSWER

Taking into account the entrepreneur's previous credit history and his livestock business, the Central Bank representative stressed the need to develop a suitable banking product for him. The head of the Surkhandarya regional office of the Agency for Livestock and Pasture Development was instructed to discuss guarantee options with a representative of the Entrepreneurship Development

Company, and to provide practical assistance to the entrepreneur, together with Xalq Bank, in preparing the documents for the project to bring in 165 head of livestock. No final decision was announced on providing a guarantee or approving the loan.

QUESTION 19

I am the head of a livestock farm in Buvayda district, Fergana region. I want to take a loan of UZS 5–6 billion to expand the business. The cadastral documents for the livestock buildings need to be registered. An initial meeting has been held with Xalq Bank. I can offer property worth about UZS 24 billion as collateral for the loan. What assistance will be provided in preparing the documents?

ANSWER

The Central Bank representative instructed Xalq Bank's responsible officer to assign a dedicated project manager to this farm. The manager will support the entrepreneur in registering cadastral and other required documents and will provide guidance on preparing the loan application and valuing the collateral. A task was also set to prepare guidance for commercial banks to explain collateral valuations openly to clients, especially the part based on the comparative method, and to agree the choice of appraiser with the client. Loan approval depends on the final documents and the bank's assessment.

QUESTION 20

I am applying on behalf of a company in Kushtepa district, Fergana region. A loan application was submitted on 25 August, and the necessary bank documents have been prepared. However, setting up the livestock farm and resolving the issue of land for fodder is proving difficult. As a result, the project is not being entered into the platform. We also have a USD 225,000 contract to import livestock from Russia. Will assistance be provided to move the project to the implementation stage?

ANSWER

Having clarified that this project is a Mikrokreditbank client, the Central Bank representative instructed the bank's responsible staff in Fergana region to work with the Kushtepa district khokimiyat, consider the possibility of a land agreement with the relevant farm and provide practical assistance to the entrepreneur in entering the project into the platform. The bank representative said a staff member would be assigned to the matter. Regional officials were tasked with speeding up the process and reporting on the results. No separate benefit for insurance costs was announced.

QUESTION 21

Our company in Fergana district imports livestock and fodder products. We have signed a USD 44.5 million contract with partners in China and obtained permission to transit 6,000 head of cattle through Kyrgyzstan. It is important to finalise the delivery documents from China by 20 October. What assistance can we receive in speeding up bank payments under contracts with buyers and in working with financing banks?

ANSWER

The Central Bank representative explained that it is possible to work on the basis of contracts between the importing company and entrepreneurs who wish to buy livestock. It was said that once a buyer is identified and their servicing bank is known, practical assistance would be provided by contacting that bank to arrange payment under the contract. No instruction was given to direct buyers compulsorily to a single supplier or to have banks compile lists of buyers in advance.

QUESTION 22

In 2021 I took a loan at 19 per cent for poultry farming through Xalq Bank's Turakurgan branch. The Entrepreneurship Support Fund had been covering 5 percentage points of the interest, but payments have stopped because of an issue with inclusion in the register. In addition, I use solar panels for growing feed. How can I use the benefit that covers 50 per cent of electricity costs?

ANSWER

Xalq Bank's regional officials were instructed to clarify the information on the 2021 loan and interest compensation, contact representatives of the Entrepreneurship Development Company and explain to the entrepreneur from what period and in what amount the compensation can be covered. On electricity, it was said that specialists from the Agency for Livestock and Pasture Development would contact the entrepreneur and give practical advice on how to apply through the Payments Agency under the Ministry of Agriculture.

QUESTION 23

Our farm in Oltiariq district, Fergana region, is engaged in livestock farming. What financing or guarantee options are available to expand operations involving the import of pedigree cattle and a mobile mill used for feed preparation? Preliminary talks have been held with Agrobank.

ANSWER

Agrobank's responsible representative was tasked with reviewing the farm's project together with the regional bank and contacting the entrepreneur directly. It was said that, where necessary, the matter would also be considered with the participation of the bank's national-level officials. Financing and guarantee terms will be determined on the basis of the project documents.

QUESTION 24

I am the head of a farm in Oltiariq district. In 2020 I imported 35 head of Simmental cattle from Germany. We are now preparing documents for Xalq Bank to import another 55 head of pedigree cattle. Can you help with arranging the loan and with land issues for the fodder base?

ANSWER

Xalq Bank's regional officials were instructed to work directly with the farm, support it in preparing the documents through a project manager and speed up the review of the application within the law. It was said that they would contact the entrepreneur separately and take the necessary steps on the project.

QUESTION 25

I am the head of a farm in Kuva district. We have applied to Xalq Bank under Resolution No. 179 to import pedigree cattle. Taking into account the environmental assessment process, can you help speed up the financing of the project?

ANSWER

Xalq Bank representatives said they would examine the relevant credit line and environmental assessment issues for the project together with the responsible organisations, speed up the documentation process and work with the entrepreneur individually. The loan will be considered based on whether the documents meet the established requirements.

QUESTION 26

I represent an agricultural company in Dehkanabad district, Kashkadarya region. In 2025 we imported 3,000 head of cattle from Russia. Obtaining the ST-1 certificate of origin and pedigree documents for livestock imports creates additional costs. Without ST-1, by my calculation, costs rise by UZS 50 million to 75 million. I would also note that pedigree documents cost up to USD 500 per head. Can these requirements be reconsidered?

ANSWER

Proposals on the ST-1 certificate and pedigree confirmation will be compiled in writing by the relevant specialists and included among the issues to be considered at the government level. Because this matter requires the involvement of customs and other competent authorities, no decision to change the procedure was taken at the meeting itself.

QUESTION 27

A farm in Kitab district, Kashkadarya region, has 450 hectares of pasture and delivers about UZS 150 million worth of dairy products a month. The farm has been trying to resolve its loan issue since June. The livestock barn and other property have been valued differently as collateral, and the application was returned by Agrobank. Can this project be re-examined on site?

ANSWER

Agrobank's representatives in Kashkadarya region were tasked with contacting the farm directly, visiting Kitab district and examining in detail the reasons for the application's return, the collateral valuation and the documents. The entrepreneur will be told what requirements must be met for the loan to be considered, and the request will be monitored until it is resolved.

QUESTION 28

I am the manager of an agricultural company in Saykhunabad district, Syrdarya region. We applied to Mikrokreditbank's Gulistan office to purchase livestock and machinery. Although the collateral was valued by two appraisers at UZS 2.5 billion and UZS 2.6 billion respectively, the company was said to be illiquid. We have repaid our previous loans. Can the project be reconsidered and the requirements clearly explained?

ANSWER

Mikrokreditbank's responsible representative said he would personally oversee the request and review the documents together with the bank's Gulistan office and specialists. It was also emphasised that, based on successful lending experience in livestock farming, clear requirements should be developed for collateral, contracts, advance payments, insurance and other documents, and that a project manager should be assigned to the entrepreneur.

QUESTION 29

I am engaged in livestock farming in Upper Chirchik district, Tashkent region. I have repaid my previous Xalq Bank loans on time. Since March I have been applying for a project to import 30–50 dairy cows from Germany and have submitted collateral and cadastral documents. The review of my application is dragging on. Who oversees this process?

ANSWER

It was decided that a responsible officer of the Central Bank's Tashkent regional office would contact the entrepreneur, visit the site the next day and, together with Xalq Bank representatives in Upper Chirchik district and the region, examine the loan documents, the collateral valuation and the status of the application. He was instructed to provide practical support to the entrepreneur until the matter is resolved.

QUESTION 30

In livestock farming, income does not come in evenly every month. Taking into account the cows' lactation period and the timing of sales proceeds, can loan repayments be made once or twice a year instead of monthly?

ANSWER

It was explained that the loan repayment schedule can be aligned with the actual cash flow of a livestock project. An instruction was given to work out with the bank, for the entrepreneur's new loan project, the option of payments every 180 days, taking into account the months convenient for him. The final schedule will be set on the basis of the loan agreement and project calculations.

QUESTION 31

I am from Kibray district. In 2023 we bought a farm with UZS 6 billion of debt and fully repaid its loan obligations to Xalq Bank. However, our collateral is not being released because a UZS 203 million payment issue related to a fund remains open. Will help be provided in resolving this?

ANSWER

Xalq Bank's responsible officer for livestock farming was instructed to meet the entrepreneur the next day and determine, on the basis of documents, why the settlement with the fund was not completed after the loan was fully repaid and what is preventing the release of the collateral. It was decided that the results would be reported to the bank's management.

QUESTION 32

After rehabilitating the farm, we applied for a loan for a livestock project in the name of a new company. Our application passed the regional stage but was returned at national-level underwriting because the land used for grazing and some of the property do not belong to the company itself. If there are documents confirming lawful use of a third party's land for the duration of the loan, will the project be reconsidered?

ANSWER

A Xalq Bank specialist was instructed to examine the project's land and collateral documents on site. It was emphasised that if the right to use a third party's land for the duration of the loan and the necessary consents are confirmed by documents, they may be taken into account in the credit assessment. It was said that the bank executive would help bring the matter to the credit committee once the project documents have been reviewed again. No final decision on the loan was announced.

QUESTION 33

I am the head of a farm in Saykhunabad district, Syrdarya region. I have fully repaid a USD 40,000 loan from Xalq Bank. Because the butchers who bought the livestock delayed their payments, my loan repayments were 10–20 days late in some months. Now, when I apply for a loan to import new livestock, my application is not being accepted because of those earlier delays. What help will be provided?

ANSWER

The entrepreneur was advised to submit the new loan documents to Xalq Bank in Saykhunabad district. A responsible officer of the Central Bank was tasked with contacting the entrepreneur and helping, together with the bank, with the acceptance of the application and the review of the earlier payment delays. To prevent delays in the future, it was recommended to align loan repayment dates with the timing of proceeds from livestock sales, including allowing an additional time buffer after the buyer's payment. No new loan was confirmed.

QUESTION 34

Our company in Parkent district has submitted loan documents to Xalq Bank. What assistance will be provided in registering the application on the Agroplatform?

ANSWER

A Xalq Bank representative was instructed to meet the entrepreneur and provide practical help in registering the application on the Agroplatform. It was decided that he would go to Parkent after completing his assignment in Kibray.

QUESTION 35

Our loan project is about 20 per cent short on collateral. Can this part be covered by an insurance policy or another guarantee mechanism?

ANSWER

A bank representative was tasked with reviewing, together with the entrepreneur, the options of an insurance mechanism or a guarantee from the Entrepreneurship Development Company. The type of security will be determined on the basis of the bank's credit policy and the relevant requirements.

QUESTION 36

How will the value of the collateral for our company's livestock project of about USD 700,000 be reconsidered?

ANSWER

Mikrokreditbank officials were tasked with reviewing the project application and the collateral documents submitted together with the entrepreneur, and with taking into account the comparative, income and cost approaches in the valuation.

QUESTION 37

In livestock projects, can a schedule matching the revenue cycle be set instead of repaying the loan every month?

ANSWER

The dialogue emphasised the need to align loan repayments with the nature of the project and its cash flow. It was said that if Resolution No. 179 strictly sets monthly payments, the submission of a proposal to the Government on the relevant amendment would be considered. No change to this procedure was announced.

QUESTION 38

Will a separate meeting be organised for fish-farming companies on credit resources and banking services?

ANSWER

It was proposed that, once the fish-farming associations and entrepreneurs are ready, they contact a responsible officer of the Central Bank to agree a date for a separate meeting with commercial banks. It was said that the meeting would be held outside the Central Bank building.

QUESTION 39

We have a UZS 1.5 billion trout-farming project. Who will help with credit resources for purchasing feed?

ANSWER

An instruction was given to connect the entrepreneur with a bank representative and assist with preparing the documents. Officials were also tasked with considering options for raising interbank resources. No loan was confirmed.

QUESTION 40

How is the subsidy covering 50 per cent of air transport costs for importing sheep from Mongolia provided?

ANSWER

Officials reported that a temporary procedure for allocating the subsidy through the Payments Agency is being developed. The Agency for Livestock and Pasture Development and the relevant authorities were instructed to monitor the matter. No specific payment date was confirmed.

QUESTION 41

The documents for our project to import sheep from Mongolia are ready, but the bank is asking for an additional guarantee. Is there an alternative security mechanism?

ANSWER

Xalq Bank's officials in Jizzakh region were instructed to review the company's request promptly. A guarantee from the Entrepreneurship Development Company was mentioned as an alternative option, if needed.

QUESTION 42

Our farm has submitted documents to Agrobank to import sheep from Mongolia. Our pasture land is not showing on the Agroplatform. What should we do?

ANSWER

The Central Bank's responsible officer in the region was instructed, together with Agrobank, to check the land documents, help enter the data into the Agroplatform and pass the loan application on to the relevant levels of the bank.

QUESTION 43

We are unable to bring in 292 head of cattle purchased in Russia because of veterinary and transit restrictions. How will this matter be handled?

ANSWER

It was explained that restrictions related to animal health and the epizootic situation are assessed by the competent veterinary authorities. It was decided to put the entrepreneur's request on the agenda of a government-level meeting and to communicate the outcome through the Namangan regional livestock department. No lifting of the restriction was announced.

QUESTION 44

Entrepreneurs who need to travel abroad to select livestock are having difficulty obtaining visas. What support will be provided?

ANSWER

Officials were instructed to prepare a request stating the entrepreneurs' exact departure and return dates and to forward it by official letter to the relevant consular division of the Ministry of Foreign Affairs.

QUESTION 45

Our company has requested a UZS 5 billion loan to import sheep from Mongolia. What measures will be taken to speed up our application?

ANSWER

Representatives of the Central Bank's Kashkadarya regional office were instructed to compile the project documents again and submit them for review with the participation of the Deputy Chairman of Xalq Bank. It was said that the entrepreneur would be informed of the outcome at the beginning of next week.

QUESTION 46

In October 2025 we imported 60 head of cattle from Austria. Whom should we contact to obtain the subsidy?

ANSWER

Representatives of the Agency for Livestock and Pasture Development recorded the company's request and said that the relevant specialists would contact the entrepreneur and review it together with other similar requests.

QUESTION 47

A farm in Bayaut district has requested a UZS 400 million loan for autumn sowing and mineral fertiliser costs. How will the review of the documents be speeded up?

ANSWER

The Deputy Chairman of Mikrokreditbank and regional officials were tasked with determining at what stage the loan application is, monitoring the credit committee process and providing practical assistance to the entrepreneur.