

INDUSTRIAL ZONES OF CENTRAL ASIA

Better never settles



CUSHMAN &
WAKEFIELD

VERITAS



INTRODUCTION

Industrial Zones

Global Trends in Industrial Real Estate

Moving goods has always been a complex challenge, and today's tangled supply chains make it even more difficult. Since production is often located far from end consumers, goods must travel long distances to reach their destination at the right time. Changes in consumer behavior have further complicated logistics operations and last-mile delivery strategies.

Despite these challenges, one thing remains constant: both production and the movement of goods depend on real estate. The international office of Cushman & Wakefield emphasizes that property selection is not only determined by business needs but also by a deep understanding of market conditions – an essential factor for successful decision-making.

Location Quality Matters More Than Cheap Rent

According to Cushman & Wakefield, 2025 is described as a market that is “slowing but not reversing.” Companies continue to rebalance their supply chains through nearshoring and friend-shoring, while placing greater value on infill locations and last-mile hubs. Increasingly, the value of a property is defined by access to energy, ESG compliance, and the availability of skilled labor, rather than just rental costs. This is shifting demand toward sites with strong power networks and resilient logistics infrastructure.

From Overbuilding to Targeted Projects

After the construction boom of 2021–2023, the global market has transitioned toward more selective, demand-driven projects. Cushman & Wakefield highlights a growing share of build-to-suit developments and a decline in speculative projects. Rising capital costs and higher vacancy rates, particularly in the U.S., have accelerated this shift.

Supply Chain Re-Engineering and the “Last Mile”

Another key trend identified by Cushman & Wakefield is the rising demand for infill locations within megahubs and border-zone logistics clusters, including free trade zones. Sites closer to end markets allow companies to deliver goods faster and more reliably—factors that are increasingly critical to competitiveness.

Green Industrialization

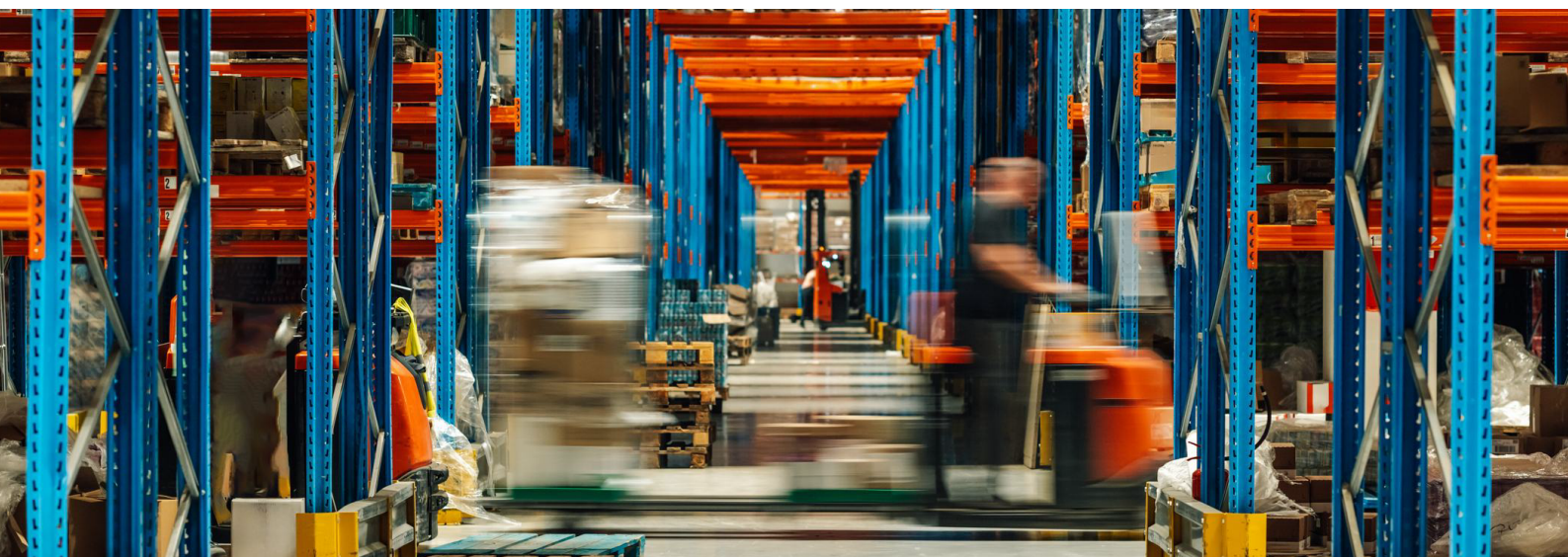
International standards are reshaping the way industrial zones are designed. More frequently, they are developed as eco-industrial parks (EIPs), where companies collaborate by sharing resources such as heat, water, and raw materials. Integration of renewable energy sources and decarbonization of supply chains is becoming the minimum standard for global clients when choosing locations.

Selective Capital Flows

With global foreign direct investment slowing, capital is becoming more concentrated in leading logistics markets and high-quality zones with transparent governance and strong infrastructure. As a result, premium industrial parks remain resilient despite macroeconomic volatility.

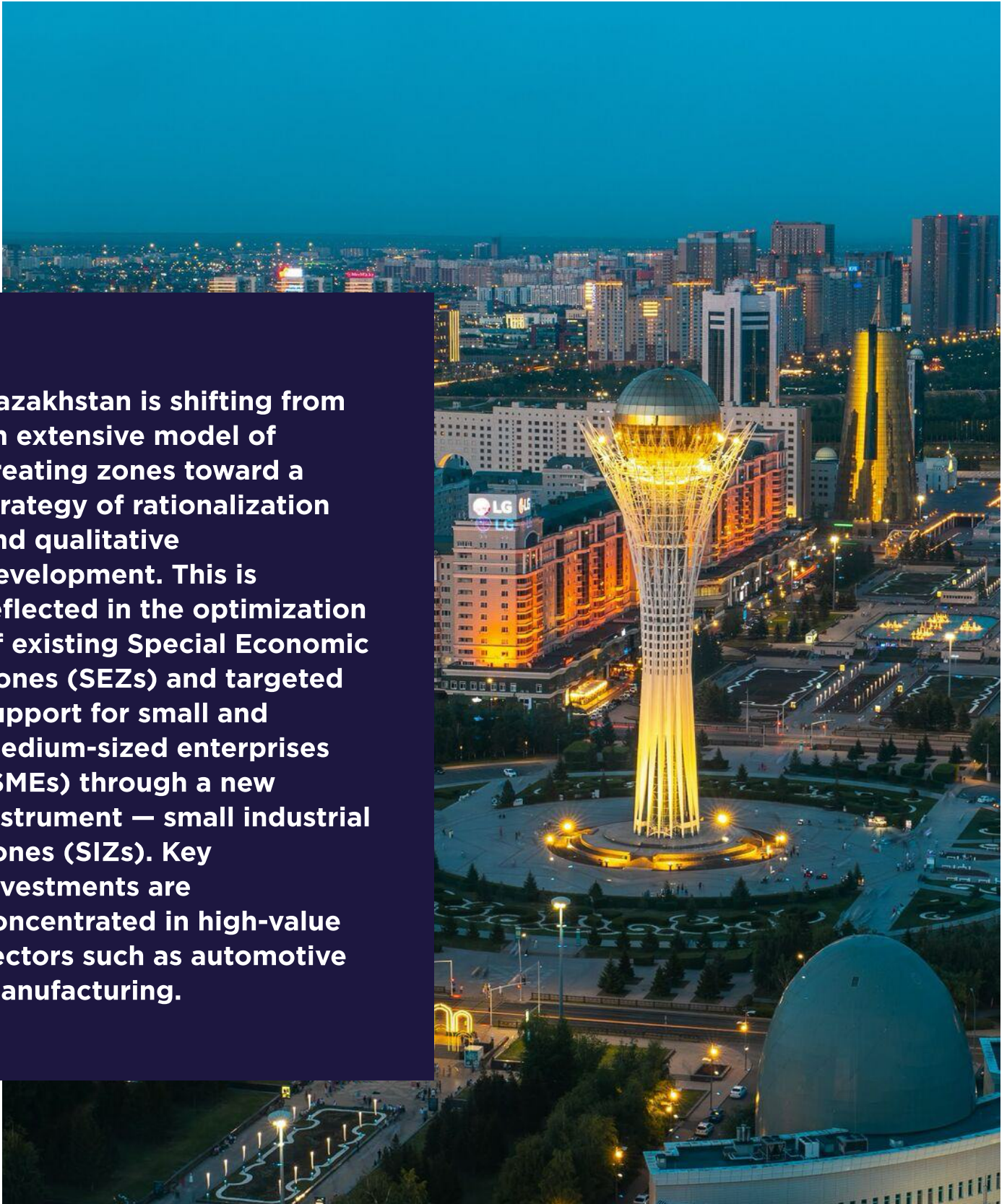
Regulatory Risks and Tariffs

Finally, Cushman & Wakefield points out the growing impact of trade barriers and tariffs on cargo routing and rental dynamics, particularly in coastal and port markets. To mitigate these risks, distribution centers increasingly diversify their functions across multiple zones and jurisdictions, ensuring flexibility and stability in global supply chains.



KAZAKHSTAN

Kazakhstan is shifting from an extensive model of creating zones toward a strategy of rationalization and qualitative development. This is reflected in the optimization of existing Special Economic Zones (SEZs) and targeted support for small and medium-sized enterprises (SMEs) through a new instrument — small industrial zones (SIZs). Key investments are concentrated in high-value sectors such as automotive manufacturing.





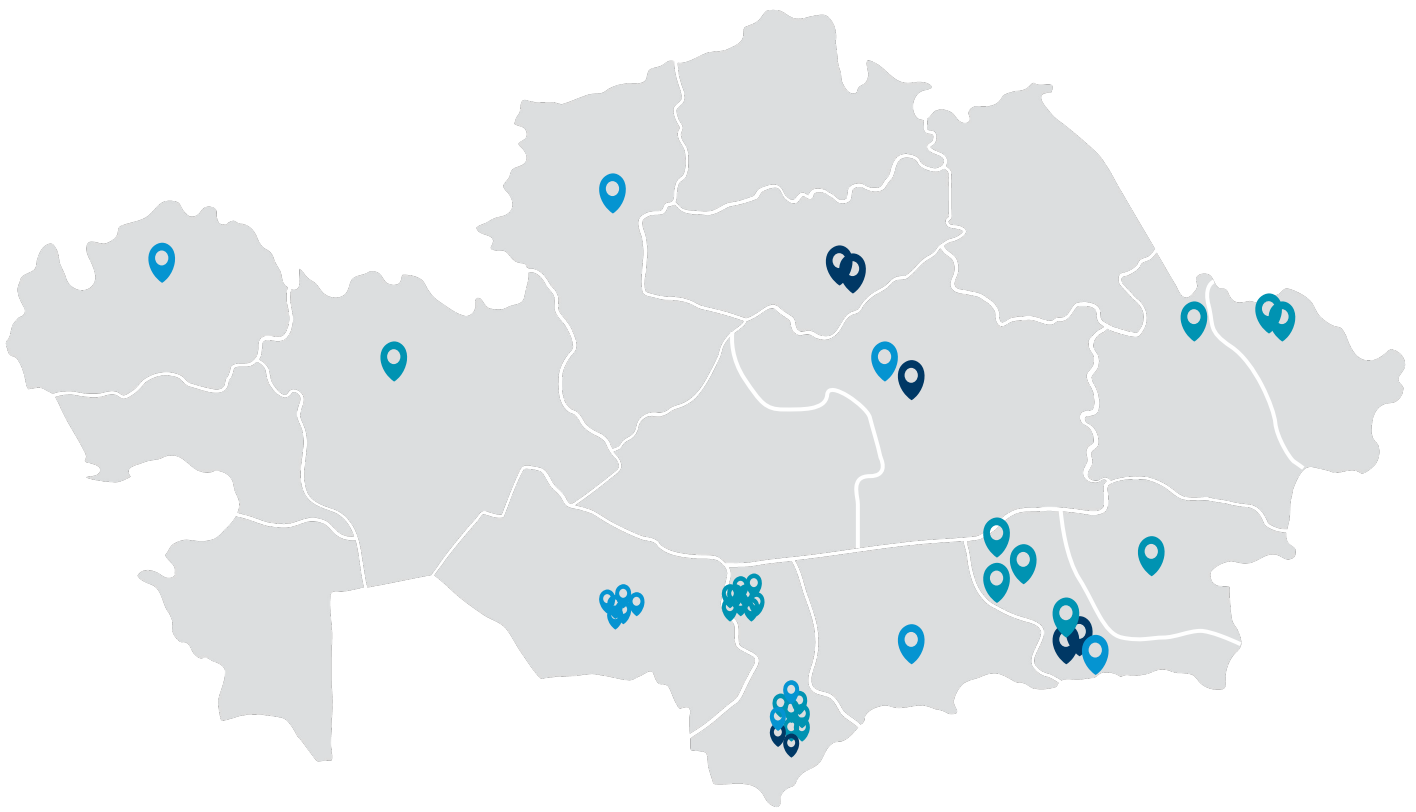
A significant step in the development of industrial zones was the adoption of Government Resolution No. 46 of the Republic of Kazakhstan dated January 30, 2024, which reduced the territories of several key Special Economic Zones (SEZs), including SEZ “Sea Port Aktau”, SEZ “Pavlodar”, SEZ “Astana – Technopolis”, and SEZ “Astana – New City”.

The legal basis for this decision lies in the requirement that SEZ territories applying the free customs zone procedure must be fully equipped for customs control. This action reflects a strategic shift: from the previous “land reservation” approach—allocating large plots of land for future development—towards an “optimization” strategy, focused on ensuring full readiness and effective use of already designated territories. In other words, the government is moving away from emphasizing the sheer number of industrial sites to prioritizing their quality and functionality.

In parallel with the rationalization of large SEZs, Kazakhstan is actively implementing a program to establish Small Industrial Zones (SIZs), which forms part of the Manufacturing Industry Development Strategy for 2023–2029. This new tool is designed to reduce barriers to entry for businesses by providing ready-to-use production facilities available for lease on preferential terms. Unlike the traditional model, where investors were only given a land plot for self-construction, SIZs offer a comprehensive solution with pre-installed engineering infrastructure and transport accessibility.

The program outlines three approaches for organizing such zones: construction of new facilities, reconstruction of unused buildings under the “Ready-Built Factory” model, and expansion of existing production sites. Importantly, these zones can be created both within and outside SEZs, making them accessible to a broader range of entrepreneurs.

This two-tier strategy—optimizing large-scale macro projects while supporting small and medium initiatives—demonstrates Kazakhstan’s nuanced approach to industrial development, aimed at fostering both major industries and sustainable SME growth.



Business preferences are provided in industrial zones:



Tax exemptions:

- Corporate income tax (up to 10 years)
- Land tax (up to 10 years)
- Property tax (up to 8 years)



Exemption from custom duties:

- Customs duty 0% up to 5 years on imports of technological equipment and accessories for it; spare parts, raw materials



In-kind grants:

- Land plots, buildings, machinery and equipment for temporary free use



Simplified procedure for foreign labor:

- Attracting foreign labor is carried out outside the quotas and without permits for employers to attract foreign labor

44

Industrial Zones

Republican
significance

13

Regional
Significance

24

Private IZ

7



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INDUSTRIAL ZONES OF REPUBLICAN SIGNIFICANCE

Kostanay

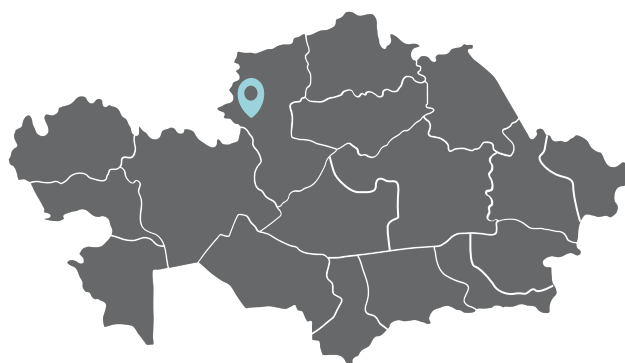
In Kostanay, a small industrial zone is being launched on the site of the former Bolshevikka enterprise, where the furniture and sewing workshops of Bestex have been reconstructed. The project involves investments of around KZT 5.5 billion, and its residents will produce furniture, windows, textiles, printing products, and personal protective equipment. The initiative is expected to create approximately 150 new jobs in the region.

The Industrial Zone "Kostanay" Is An Industrial Site With An Area Of 400 Hectares, Provided With Communications Intended For Development Of Priority Industries, Such As Mechanical Engineering, Food And Light Industry, Production Of Building Materials And Structures, Agricultural Equipment.

ADVANTAGES

One of the advantages of the industrial zone is the adjacent developed network of roads and railways with access to the Russian market (the site is adjacent to the international highway Almaty-Yekaterinburg).

- Ready-made engineering and communication infrastructure
- Investment preferences
- Convenient logistics location, highways
- The possibility to buy or rent a land plot
- The provision of office and hotel rooms for rent



INFRASTRUCTURE

Engineering infrastructure includes electricity, gas, water supply, sanitation, telephone, Internet. To create comfortable conditions on the territory of the industrial zone, there is an administrative center, which includes offices, a conference hall, hotel rooms and a dining complex.

- Communication lines – 9.6 km
- Water supply with a diameter of 400 mm (– 5.2 km) and 315 mm (– 2.7 km)
- Water intake structure – 9,950 m³/day
- Railway tracks – 3.7 km
- Highways – 4.5 km

400

Total Area, ha

180.3

Production facilities, ha

197

Vacant place, ha

22.7

Engineering and transport infrastructure, ha

1.3

Administrative and household complex, ha

INDUSTRIAL ZONES OF REPUBLICAN SIGNIFICANCE

Taraz

PROJECT SELECTION CRITERIA

- The use of modern technologies and equipment that meet environmental requirements
- Competitiveness in the market and export-oriented products, the absence of analogues in the region
- Availability of sources of project financing in full
- Implementation of an industrial and innovative projects

The land plot is transferred to the participant of the industrial zone for sublease for 25 years, before the project is put into operation, the sublease of the land is free, only the land fee is paid.



41
Total Area, ha

TERMS OF PARTICIPATION

- The state provides infrastructure (railway, highway, gas pipeline, electric line, water supply, etc.) to the border and inside the zone
- Connection to the infrastructure is free of charge; payment for services consumed – by metering devices
- Infrastructure maintenance costs under a separate contract with the operator of the industrial zone
- An investment contract is signed with an indication of the schedule for the implementation of the investment project. For the period of construction of facilities – up to 3 years, the participant rents the land for free, pays only the land tax

PRIORITY ACTIVITIES

- Light industry and furniture production
- Chemical industry
- Production of building materials and other non-metallic mineral products
- Metallurgy, metalworking, mechanical engineering and others

INDUSTRIAL ZONES OF REPUBLICAN SIGNIFICANCE

Aral, Kazaly, Karmakhshy and Shieli Regions

ARAL REGION



10

Total Area, ha

10

Production facilities, ha

22.7

Administrative and household complex, ha

239.8 mln

Investments, tenge

5

Vacant place, ha

3

Registered participants

100

Jobs created

KAZALY REGION



6.9

Total Area, ha

6.9

Production facilities, ha

5

Administrative and household complex, ha

172 mln

Investments, tenge

2.1

Vacant place, ha

8

Registered participants

67

Jobs created

KARMAKSHY REGION



15

Total Area, ha

15

Production facilities, ha

4.1

Administrative and household complex, ha

239.8 mln

Investments, tenge

10.9

Vacant place, ha

4

Registered participants

48

Jobs created

SHIELI REGION



96

Total Area, ha

96

Production facilities, ha

63

Administrative and household complex, ha

66 billion

Investments, tenge

33

Vacant place, ha

7

Registered participants

438

Jobs created

INDUSTRIAL ZONES OF REPUBLICAN SIGNIFICANCE

Sherpin and Ondiris Region

SHERPIN REGION



22

Total Area, ha

17

Production facilities, ha

12.7

Administrative and household complex, ha

109.5 mln

Investments, tenge

4.3

Vacant place, ha

11

Registered participants

54

Jobs created

ONDIRIS REGION



760

Total Area, ha

760

Production facilities, ha

125.2

Administrative and household complex, ha

634.8

Vacant place, ha

Infrastructure

- 10kW power transmission line, 4.5 km long
- Administrative building, an area of 1,256 m² with a land plot of 3.6 hectares
- 1,260 m length water supply and sewerage networks
- Transformation substation

INDUSTRIAL ZONES OF REGIONAL SIGNIFICANCE

Almaty Industrial Zone

 490
Area, ha

 27
Highways, km

 40,000
Gas Supply, nm³/hour

 150
Power Supply, MW

- The range of products planned for production is very wide – from ice cream to steel pipes for the oil and gas industry
- During the operation of the industrial zone, the state has invested more than 22 billion tenge in the development of its infrastructure



Source: Press Office of the Mayor of Almaty

Almaty Industrial Zone (AIZ) is one of the most active development centers in Kazakhstan. By the end of 2024, it launched 10 new projects worth KZT 25.17 billion, creating 1,319 jobs. These included enterprises producing household chemicals, bank cards, cable products, and reinforced concrete items. In addition, five small industrial parks (SIPs) were established in 2024.

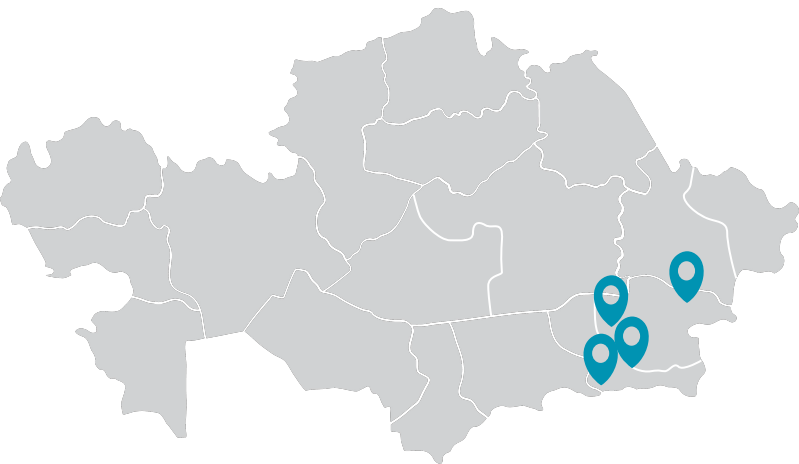
For 2025, AIZ plans to implement 11 new projects with a total investment of KZT 135.5 billion, expected to create 2,662 jobs. Among them are six manufacturing facilities, including:

- a passenger car plant for Chinese brands (Astana Motors Manufacturing Kazakhstan),
- a tire recycling plant (ALTRA TYRES),
- and a glass container plant (Bagdar LTD).

In parallel, five more small industrial parks will be developed. The concentration of such high-tech and capital-intensive enterprises, along with auto component manufacturers like Almaty Autoparts Production, highlights Kazakhstan's ambition to build a comprehensive ecosystem within the automotive industry.

INDUSTRIAL ZONES OF REGIONAL SIGNIFICANCE

Almaty Region: Taldykorgan, Kairat, Bereke



1,817
Total Area,
ha

TALDYKORGAN INDUSTRIAL ZONE

594.9
Area, ha

9.7
Highways, km

25
Distance to the airport, km

2*40
Power Supply, MW/h

5.4
Railway tracks, km

750
Water Supply m³/hour

5,000
Gas Supply, m3/hour

19.4
Communication networks, km

no restrictions
Priority industries

KAIRAT INDUSTRIAL ZONE

198
Area, ha

4.7
Highways, km

80
Distance to the airport, km

2*12
Power Supply, MW/h

5.9
Railway tracks, km

80
Water Supply m³/hour

540
Gas Supply, m3/hour

no restrictions
Priority industries

BEREKE INDUSTRIAL ZONE

535
Area, ha

9.7
Highways, km

75
Distance to the airport, km

2*63
Power Supply, MW/h

5.4
Railway tracks, km

85
Water Supply m³/hour

2041
Gas Supply, m3/hour

200
Heat supply, Gcal/h

There is a possibility of placing objects of 3.4 hazard class according to sanitary rules
Priority industries

A new bypass railway line, approximately 75 km long, is under construction in Almaty. It is designed to relieve congestion at the city's railway hub and redirect up to 40% of freight traffic outside the city. Completion of the project is expected by the end of 2025. The project includes 130 km of tracks, three junction stations (Sorbulaq, Moyynkum, and Zhana-Arka), as well as bridges and overpasses. The Almaty Bypass Railway Project aims to enhance the speed, capacity, and safety of freight transportation in southeastern Kazakhstan.

INDUSTRIAL ZONES OF REGIONAL SIGNIFICANCE

Almaty Region: Taldykorgan, Kairat, Bereke, Almaty

PROSPECTIVE



KAZBEK BEK INDUSTRIAL ZONE

Planned capacities



900

Area, ha



12

Highways, km



2*2000

Power Supply, kW/h



8000

Water Supply m³/day



49

Railway tracks,
wagon/day



8000

Drainage, m³/day



80

To Almaty, km



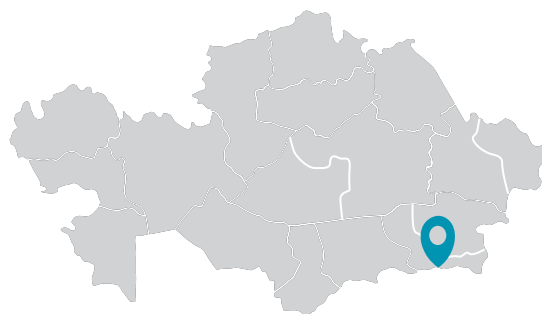
20000

Gas Supply, m³/hour



21

Heat supply, Gcal/hour



SHELEK INDUSTRIAL ZONE

Planned capacities



244

Area, ha



6

Highways, km



2*63000

Power Supply, kW/h



11500

Water Supply m³/day



10

Railway tracks,
wagon/day



8000

Drainage, m³/day



160

To Almaty, km



6750

Gas Supply, m³/hour



21

Heat supply, Gcal/hour

Three manufacturing companies from Almaty are considering relocating their operations to the regional industrial zones Kazbekbek, Shelek, and Kairat. This move would help ease the load on the city while stimulating the development of suburban areas. According to the Almaty Akimat, the relocation may include:

- a plant producing industrial shut-off and pipeline valves,
- a manufacturer of PVC and aluminum products,
- and a plant producing wall blocks.

In total, up to 10 enterprises could be relocated from Almaty to the region as part of the broader agglomeration development plan. To support this process, at least two new industrial zones will be created: one for agribusiness companies and another for construction materials and metallurgy. Among the 20 identified companies, several are already planning relocation within the next 5-10 years.

At the Kairat Industrial Zone, a major \$1+ billion machine-building cluster is being developed with the participation of China's CSCEC corporation. The project will include production facilities, logistics centers, a data center, as well as residential and hotel infrastructure, with a planned implementation timeline of three years.

INDUSTRIAL ZONES OF REGIONAL SIGNIFICANCE

Ordabasy

The Ordabasy Industrial Zone Of The Turkestan Region Functions As A Single Dispatch Centre That Optimizes The Process Of Entering Investments Into The Region, Offering Customers Ready-Made Sites With Prepared Infrastructure For Doing Business.



126.8

Total Area, ha

700,000

Built-up area, m²

- A gas pipeline with a length of 3,860 p/m with a capacity of 13,000 m³/h
- On the territory of the zone there is a railway station, a container platform, 2 gantry cranes of 10 and 50 tons, a temporary storage warehouse
- Water supply - 7 artesian wells, 2 pumps with a capacity of 160 m³/h, 5 pumps with a capacity of 110 m³/h
- Steam supply - boiler house with a capacity of 150t. steam per hour

In the Ordabasy district of Turkestan Region, construction has begun on the Badam industrial park, an 8-hectare site that will host five new production facilities. According to the regional administration, similar parks are also planned in the villages of Shubar, Shubarsu, and Temirlan, where entrepreneurs will receive land plots with ready-to-use engineering infrastructure. At the same time, the Central Asia Aluminum Company has launched the construction of an aluminum profiles plant with an annual capacity of 20,000 tons. With investments of approximately 4.4 billion KZT, this facility is expected to create around 200 jobs. In parallel, Global Textile Group is implementing a large-scale project in the Maktaaral district, which includes both a textile factory and a logistics center. This development will be expanded with five additional enterprises and is projected to generate more than 2,000 jobs, significantly strengthening the region's industrial base.

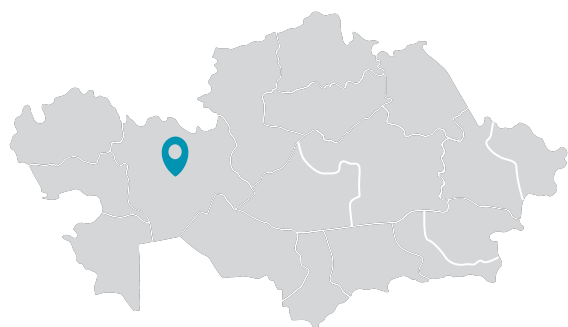
Alongside Local Initiatives, Kazakhstan Is Also Expanding A Network Of Cross-Border Industrial And Logistics Hubs To Integrate Regional Production Into Global Value Chains. In Turkestan Region, Near The Atameken Checkpoint, The International Center For Industrial Cooperation "Central Asia" Is Under Development, With Completion Planned For The End Of 2026. Other Projects Across The Country Are Moving Ahead: In Zhambyl Region, An Industrial, Trade, And Logistics Complex Is Being Built On The Border With Kyrgyzstan; In West Kazakhstan Region, The Eurasia Center Is Taking Shape At Uralsk Airport; And In Mangystau Region, The Caspian Hub Is Being Developed Within The Aktau Sea Port SEZ. All These Initiatives Are Designed To Fit Into International Transport Corridors And Are Aimed At Strengthening Kazakhstan's Transit And Industrial Potential, While Also Creating New Opportunities For Business Expansion And Regional Development.

INDUSTRIAL ZONES OF REGIONAL SIGNIFICANCE

Aktobe

AKTOBE

Located On The "Western Europe – Western China" Highway, 5 Km From The City, 97 Km From The Border With The Russian Federation (Orenburg Region).



200

Total Area, ha

- Ready-made industrial infrastructure
- Low energy tariff
- Flexibility for investors
- Convenient transport logistics
- Priority industries – oil and gas refining; chemical industry; production of building materials; transport logistics; services for enterprises from Aktobe; oil and gas service; oil and gas engineering; mining and metallurgical complex

As of today, 17 projects have been implemented in the Aktobe Region Industrial Zone in the chemical and construction industries, with a total investment of KZT 31.85 billion, creating 634 jobs across 57.4 hectares.

In 2024–2025, more than KZT 85.7 billion in investments have been attracted. Major projects include the Chemical Synergy Qazaqstan plant, designed to produce 15,000 tons of ethylenamine per year, and the Zerde – Ceramics Aktobe plant for porcelain stoneware and ceramic tiles.

An additional 10 projects are currently under development in metallurgy, petrochemicals, and the construction industry, with planned investments of KZT 88.3 billion and the creation of 807 jobs on 79 hectares of land.

The industrial zone is becoming an increasingly attractive platform for both domestic and foreign investors, boosting the region's socio-economic growth and supporting the development of urban infrastructure.

PRIVATE INDUSTRIAL ZONES

DAMU

Was Founded In 2008 And Is One Of The Largest Industrial Territories In The Republic Of Kazakhstan. The Industrial Area Houses Production And Infrastructure Facilities And Warehouses Created For The Development Of Entrepreneurship, Both Kazakh And International Companies.

The Park Is Conditionally Divided Into 2 Parts: Industrial And Logistics. The Industrial Area Has All The Necessary Transport And Engineering Infrastructure. The Park Has Excellent Geolocation Along The Almaty – Zhetygen Highway And Near The Transport Interchange "Western Europe – Western China". Almaty City And The Airport Are A 20-Minute Drive Away. All Necessary Engineering Communications Have Been Carried Out In The Park. The Territory Of The Park Is 75% Occupied.



The land plots have been acquired by such large companies as:

- Wilo
- Galanz Bottlers
- Volvo
- Danone
- Food Town
- Shin-Line
- ArLine
- Mustang Farbe And Others

210
Total Area, ha

 more than
300,000
Class A Warehouse, m²

 **15**
Railway line, km

 **9-12**
Ceiling height, m

 **+18 to -25**
Temperature range

 **17.8**
Container terminal area, ha

- Automated warehouse
- Management system WMS
- Full comprehensive service (outsourcing)
- Rental of warehouses, outdoor areas, office spaces



PRIVATE INDUSTRIAL ZONES



QAZ CARBON

The industrial zone "Qaz Carbon," registered in the Karaganda region in 2021, includes a coke production plant, a foundry, a ferroalloy production facility, and a coal enrichment factory. This zone concentrates all the company's capacities, allowing for optimization of production and logistics costs.

STANDARD

The "STANDARD" zone in Shymkent was registered in 2021, but full-scale operations have yet to begin. The industrial zone is aimed at small and micro-businesses, offering residents access to loans on preferential terms. The zone is being developed on the site of the former Shymkent Lead Plant.

175 000

Total Area, m²

TEPLICHNYI RAI

The agro-industrial zone "Teplichnyi Rai" in Shymkent was added to the registry in 2021, but its development has faced challenges. Launched in 2020, the project was intended to create greenhouse complexes but has encountered legal difficulties and a lack of infrastructure. Currently, the status and future of the project remain uncertain.

KOYANDY

The industrial zone "Koyandy," located in the Akmola region and registered in 2022, is industrial site supported by the government, including enterprises producing food and beverages. Despite state support, the zone faces financial difficulties, and its development is progressing slowly.

68

Total Area, ha

DOSTYK GATE

The private industrial zone "DOSTYK GATE" in the Zhetysu region, added to the registry in 2022, is being developed with private investment. This zone is linked to a transshipment terminal on the Kazakhstan-China border, fostering the development of logistics and production capabilities in the region.

116

Total Area, ha

BIRLIK

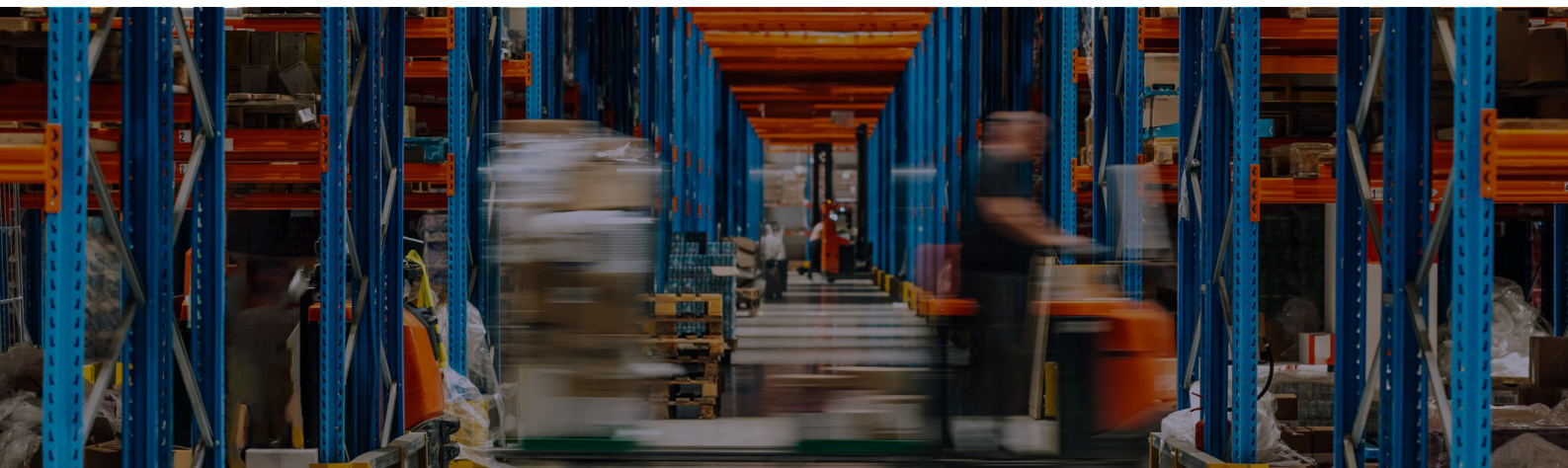
The special industrial zone "Birlik" in Astana, registered in 2024, is a newly established zone with special conditions for applying international construction and production standards. The management company, registered in the Astana International Financial Center, has a broad specialization and is a member of the Association of Logistics and Industrial Parks. Information about the residents and activities of the zone is currently limited.

SMALL INDUSTRIAL ZONES

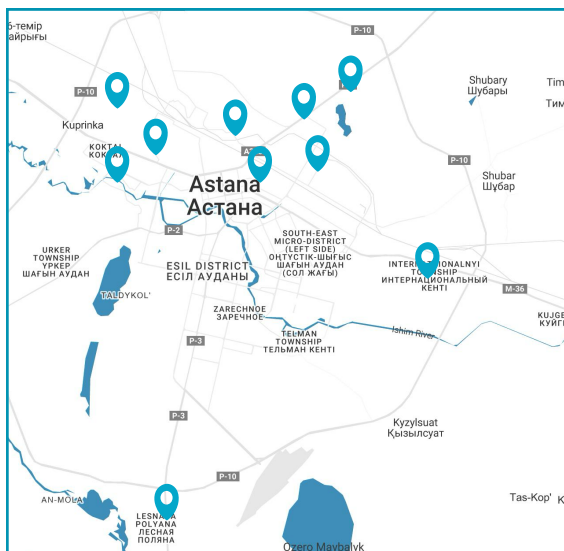
Industrial facilities are distributed throughout Almaty city, with a particular concentration in the Zhetisu, Alatau and Tursib districts. The industrial facilities in question encompass both those that were constructed during the Soviet era and those that have been developed more recently. However, the majority of these facilities are repurposed Soviet-era buildings that have been adapted for industrial use. The average area of the facilities are 864 sq.m., and average height 5 m. The majority of industrial facilities provide a comprehensive range of services and utility options. The majority of industrial facilities provide parking and security, as well as electricity, water, and gas for utility purposes. It should be noted, however, that not all facilities have access to sewerage or heating.

The majority of industrial facilities in Astana are situated in industrial zones in close proximity to railway lines. The average area of the facilities are 1 986 sq.m., and average height 5 m. The majority of these facilities are located in the districts of Almaty, Baikonur, and Saryarka. The majority of industrial sites provide electricity and water, although only a small proportion have access to gas. Additionally, some facilities offer access to the crane beam.

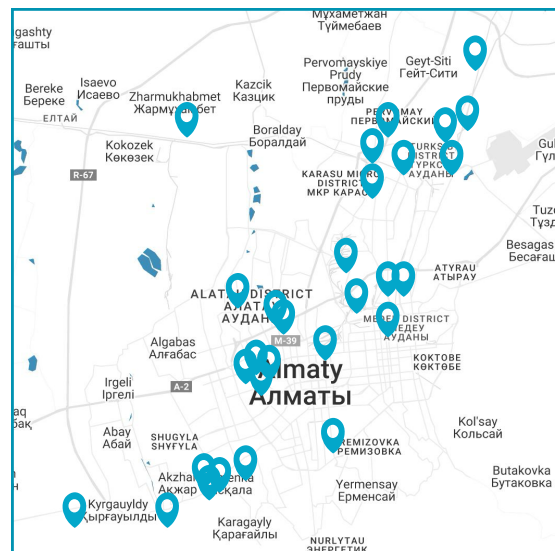
There is a significant discrepancy in rental prices between industrial facilities in the two cities. The average price in Almaty is 15.95 USD per sq/m, which is approximately 40% higher than the average price in Astana, which is 6.1 USD per sq/m.



Map of small industrial zones in Astana



Map of small industrial zones in Almaty



INDUSTRIAL ZONES OF KAZAKHSTAN

Warehouses

Almaty and Astana remain the main hubs for warehouse real estate in Kazakhstan. This is largely due to the fact that both capitals continue to attract investments and business activity, particularly in e-commerce, retail, and manufacturing, which in turn stimulates demand for industrial facilities.

The warehouse market in Astana shows both challenges and opportunities. As of Q2 2025, the total stock of high-quality Class A and B warehouses reached 152,515 m², up from 149,000 m² in Q1.

During the first quarter of 2025, the market faced oversupply and stagnant rental rates. However, by the second quarter the situation shifted:

- Vacancy rates for Class A warehouses fell sharply from 9.1% to 0.5%,
- Vacancy for Class B warehouses decreased from 10% to 5%.

This indicates rising demand, especially from less demanding tenants such as local distributors and small businesses. At the same time, demand for high-quality Class A facilities remains consistently strong and, by some accounts, even exceeds that in Almaty – highlighting the persistent shortage of such properties.

Rental rates in Q2 2025 averaged USD 7.49 per m² per month for Class A and USD 4.68 per m² per month for Class B. These figures reflect tenants' growing preference for modern logistics systems and accessible infrastructure, which continues to drive the development of new Class A projects.



UZBEKISTAN

Uzbekistan's industrial development strategy in 2024-2025 is marked by unprecedented scale and pace. This policy forms part of the broader "Uzbekistan-2030" strategy, which aims to increase the country's GDP to USD 160 billion and raise per capita income to USD 4,000. Industrial zones are regarded as a key instrument in achieving these ambitious goals, serving as a driver for attracting foreign investment and expanding exports.



UZBEKISTAN

Development Of Industrial Zones



766

Total Industrial Zones



24

Special
Economic Zones



210

Youth industrial and
entrepreneurial zones



532

Small Industrial Zones



11 952.1

Total Industrial Zones Area, ha



- Current projects
- Put up for auction

Results And Plans

2023



965
Projects



9.7
trillion UZS



20.7
thousand jobs

2024



841
projects



13.3
trillion UZS



27.7
thousand jobs

INDUSTRIAL ZONES OF UZBEKISTAN

Overview Of Free Economic Zones

25

FEZ

8 600 ha

Total area of usable land

650

Projects

43.9 trillion UZS

Total Value

60 000

Created new jobs



- | | |
|------------------|--------------------------------|
| 1. "Navoi" | 12. "Kosonsoy-farm" |
| 2. "Angren" | 13. "Syrdarya-farm" |
| 3. "Jizzakh" | 14. "Boysun-farm" |
| 4. "Urgut" | 15. "Buston-farm" |
| 5. "Gijduvan" | 16. "Parkent-farm" |
| 6. "Kokand" | 17. "Andijan-farm" |
| 7. "Namangan" | 18. "Charvak" |
| 8. "Khazarasp" | 19. "Balik ishlab chikaruvchi" |
| 9. "Termez" | 20. "Bukhara-Agro" |
| 10. "Nukus-farm" | 21. "Chiroqchi" |
| 11. "Zamin-farm" | 22. "Sirdare" |

INDUSTRIAL ZONES OF UZBEKISTAN

Free Economic Zones

Tax and customs payment benefits are provided for a period of 3 to 10 years. Enterprises with foreign investments and participants in the Free Economic Zone (EEZ) are exempt from paying property tax, land tax and tax on the use of water resources, depending on the amount of investments made:

- from 300 thousand dollars to 3 million dollars – for a period of 3 years;
- from \$ 3 million to \$ 5 million – for a period of 5 years;
- from \$ 5 million to \$ 10 million – for a period of 7 years;
- from \$ 10 million and above – for a period of 10 years.

In addition, FEZ participants are exempt from income tax depending on the volume of their investments:

- From \$3 million to \$5 million – for a period of 3 years;
- From \$5 million to \$15 million – for a period of 5 years;
- From \$ 15 million and above – for a period of 10 years.

Also, FEZ participants have the right to defer the payment of value added tax on the import of goods for up to 120 days.

Customs privileges for FEZ participants are exempt from the payment of the following customs duties (except for customs clearance fees) upon importation into the territory of the Republic of Uzbekistan:

- construction materials for the implementation of the investment project in accordance with the investment contract during the construction period;
- raw materials, materials and components used for the production and sale of products for export, as well as their analogues, technological equipment not manufactured in the Republic of Uzbekistan according to the approved list (the list is approved by Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 352 of the Republic of Uzbekistan dated 06/04/2021).

The state ensures guaranteed connection of participants of free economic zones to engineering and communication networks, promptly connecting them to production sites.

INDUSTRIAL ZONES OF UZBEKISTAN

Free Economic Zones

Priority Industries

Industrial and free economic zones support sectors that most closely align with the country's strategic goals. These include mechanical engineering and metalworking, the chemical industry, textile and garment production, pharmaceuticals and medical equipment, agricultural processing and the food industry, as well as logistics, packaging, and areas related to high technology and energy equipment. Each zone, however, has its own specific priorities. For example, the Navoi industrial and logistics zone focuses on the development of industrial and logistics projects, taking into account its location near an international airport and major transport corridors. Therefore, enterprises in the fields of mechanical engineering, industrial production, and export-oriented manufacturing receive the most active support in this zone.

Path to Become a Participant

In order to become a resident of a zone, an investor must go through several stages. First, a set of documents is prepared, including a business plan, company information, financial statements, and a description of the proposed activities. This package is then submitted to the administration of the selected zone. At the initial stage, the application is checked for compliance with established requirements. If the application meets the criteria, it is forwarded to the Center for Comprehensive Expertise under the Ministry of Economy or another authorized body, which prepares a conclusion on the project within twenty calendar days. After that, the administrative council of the zone reviews the application and makes a decision on granting residency status. The entire process, from submission of documents to the final decision, takes no more than thirty calendar days.

Once the project is approved, the investor pays the required fees or guarantee contributions, signs an agreement with the zone administration, and officially obtains resident status. From that moment, the company can take advantage of all tax and customs benefits, as well as the right to import equipment and raw materials duty-free. A practical example can be seen in the Andijan Free Economic Zone, where the process begins with the submission of an official application and business plan to the zone administration, followed by document verification, expert review, and a final decision within ten working days. For consultations and submission of documents, contact centers operate under the zone administrations. For instance, the official websites of the Navoi, Jizzakh, or Andijan FEZs provide up-to-date contact information for investors.

Thus, the procedure for obtaining participant status is transparent and strictly regulated, with priority given to projects that align with the strategic development directions of the region and the country as a whole.

INDUSTRIAL ZONES OF UZBEKISTAN

Warehouses

Uzbekistan has demonstrated rapid growth in the industrial and warehouse real estate sector in recent years. In 2024 alone, the volume of modern warehouse space expanded by 165%, reaching over 500,000 m² by mid-2025. This surge is driven by the country's active industrialization, the development of Special Economic Zones (SEZs), and growing demand for high-quality facilities from international companies.

However, the increase in new supply has also led to higher vacancy rates: from just 1.1% at the beginning of 2024 to 4% by mid-2025. This has created additional opportunities for tenants, as competition for occupiers is pushing developers and landlords to offer more flexible leasing terms.

Rental rates in the region also show clear segmentation. Class A warehouses in Central Asia are priced up to USD 139 per m² per year, with Tashkent maintaining a premium position thanks to its advanced logistics infrastructure, proximity to the international airport, and availability of modern facilities.

One of the most notable developments on the market was the announcement by Wildberries of its plan to build the largest distribution center in the country. In June 2025, the company confirmed an investment of USD 150 million into a 180,000 m² warehouse near Tashkent. This project is expected to become a major driver of further logistics sector growth and strengthen Uzbekistan's position as a regional e-commerce hub.



KYRGYZSTAN

Industry is one of the strategic priorities of the economic development of the Kyrgyz Republic. In the period 2024-2025, the government of the country demonstrates the transition from passive regulation to active, program-oriented management of industrialization processes. This transformation is aimed at creating a favorable investment climate, attracting both domestic and foreign investments, and diversifying the economy.



INDUSTRIAL ZONES OF KYRGYZSTAN

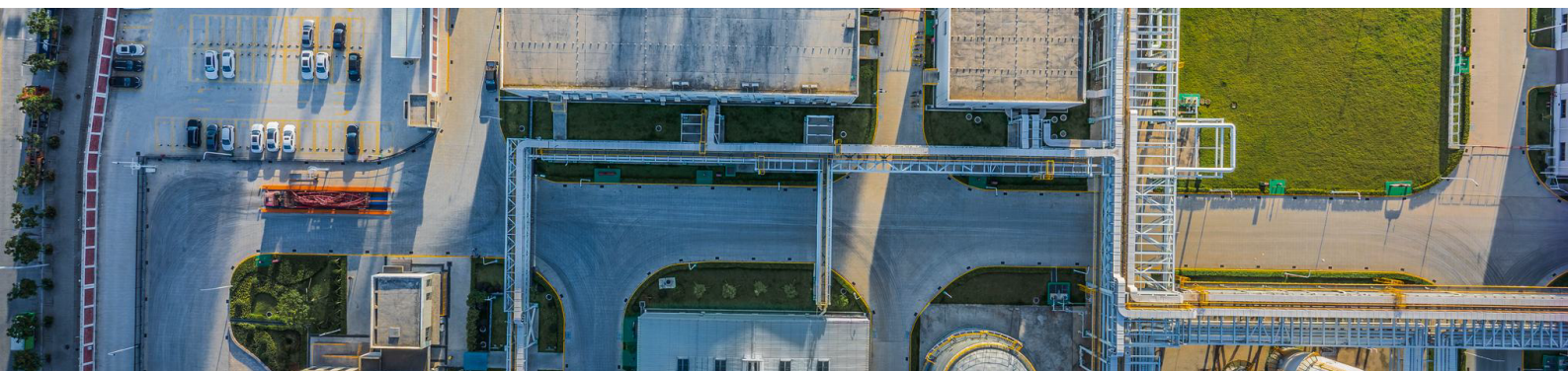
Overview Of Free Economic Zones

The system of industrial zones in Kyrgyzstan is based on the model of Free Economic Zones (FEZs), which are territories with a special economic and legal regime. At present, **five such zones are operating in the country: Maimak, Bishkek, Karakol, Naryn, and Leilek**. Their management and coordination are centrally overseen by the National Investment Agency under the President of the Kyrgyz Republic.

According to official data, more than 350 companies operate in these zones, representing over 25 countries, including Germany, China, Turkey, South Korea, Russia, and Kazakhstan. The companies are active in various sectors such as trade, food and light industry, construction materials production, and furniture manufacturing.

The fact that FEZs attract capital from such a wide range of countries demonstrates international confidence in their legal and economic framework. This indicates that the FEZ model in Kyrgyzstan is an effective mechanism for attracting foreign direct investment and technological expertise.

The registration process in one of the FEZs requires a package of documents, including the founding agreement, the company's charter, the resolution on its establishment, a copy of the state registration certificate, and a detailed business plan specifying the planned investments. This procedure highlights the importance of having a clear and transparent strategy for potential investors.



Overall, by the end of 2024–2025 Kyrgyzstan has significantly revitalized its industrial sector. The launch of new enterprises in machinery, construction, chemicals, and agriculture is diversifying the economy, which has traditionally depended on gold mining (the Kumtor deposit) and imports. The government is creating favorable conditions through industrial zones, FEZ incentives, and public-private partnerships, while also attracting partners from China, Turkey, Russia, and Europe.

For regional competitors, this signals that Kyrgyzstan is ready to compete for investment and a share of industrial cooperation in Central Asia. For investors, the new projects are appealing due to untapped niches – for example, domestic demand for building materials, fertilizers, and machinery is still only partially met by local production. With support from the government and international institutions such as the Eurasian Development Bank (EDB) and the Asian Development Bank (ADB), industrial growth could accelerate further.

In 2024, industrial output already grew by nearly 7%, driven mainly by raw material processing and the food industry, and in 2025 double-digit growth is expected. Step by step, Kyrgyzstan is transforming its industrial zones from simple platforms into growth hubs, attracting the attention of both investors and potential competitors in neighboring countries.

INDUSTRIAL ZONES OF KYRGYZSTAN

Free Economic Zones

Industrial development in Kyrgyzstan has become more balanced across regions. In Chui Region, the Tulpar Motors automobile plant and the Terek-Tash clinker plant were launched. In Naryn Region, a meat processing plant and a construction materials factory opened, while the At-Bashi district saw the launch of the Kara-Bulak trade and logistics zone. In Jalal-Abad Region, the Eti Bakyr-Terexsay gold recovery plant and several small hydropower plants in Kadamjay and Nookat began operations. This approach reduces migration to the capital, creates local value chains, and stimulates regional growth.

Looking ahead, the government plans to accelerate the pace by launching 128 new enterprises and creating at least 15,000 jobs. Kyrgyzstan is also adopting Turkey's cluster development model (Ostim Technopark) by creating new industrial zones in Chui and Batken Regions with a focus on SMEs. In December 2024, registration procedures in FEZs were simplified and the package of incentives for investors was expanded.

Several large-scale projects are underway:

- Automotive industry: a plant for electric vehicles and special equipment in Sokuluk (with China's Hubei Zhuoyue), and a truck and motorcycle plant in Jalal-Abad (with Shaanxi Qing Ju).
- Construction industry: three plants in Talas — reinforced concrete, asphalt, and a crushing/screening complex — equipped with Chinese technology.
- Chemical industry: a fertilizer plant in Osh Region (\$260 million, capacity up to 500,000 tons per year).
- Agri-tech: Turkish company Akplas is building a \$10 million drip irrigation systems plant.
- European capital: German NISBAU GmbH is constructing a concrete plant using European standards.
- Logistics and environment: Wildberries is investing about \$100 million in a trade and logistics center near Bishkek, while China's Junxin is developing a waste-to-energy plant capable of processing 850 tons of solid waste per day.

INDUSTRIAL ZONES OF KYRGYZSTAN

Warehouses

As of early 2025, the total area of high-quality warehouse facilities of classes A and B in Kyrgyzstan amounts to 108,000 m². The market faces a significant shortage, estimated at 250,000 m², primarily because most of the projects under construction are either already pre-leased or being built for the internal needs of large companies such as Wildberries. The average rental rate for Class A warehouses is USD 142 per m² per year (excluding VAT).

Approximately 90% of modern warehouse space in Kyrgyzstan is concentrated in Bishkek and the Chui Region, while outside this area high-quality warehouses are almost non-existent. Future market growth will be driven by the development of four key clusters around the capital, which account for about 80% of all planned projects.

Several major projects are expected to come online and partially address current demand:

- **Wildberries Logistics Center:** By the end of 2025, the company plans to launch a large-scale facility with a total area of 300,000 m². Although primarily intended for internal use, it will significantly expand overall capacity.
- **Border Zone Projects:** Two major logistics bases are scheduled for launch in 2025–2026 — Atbashi TLC with USD 12 million in investments and Kokcho-Koz with an area of 170,000 m².
- **Southern Cluster:** Along the Bishkek–Osh highway, a multifunctional customs and logistics center, Global Hub, is under construction. The total area will be 137,000 m², of which 57,000 m² is expected to be operational by 2026.

These projects are set to play a decisive role in upgrading the country's logistics infrastructure and will substantially increase the supply of high-quality warehouse space in the coming years.



RESEARCH & ADVISORY

KEN DALA BUSINESS CENTER
38, DOSTYK AVENUE
ALMATY, KAZAKHSTAN
AGENCY@CUSHWAKE.KZ
CUSHWAKE.KZ

SEMYON YURCHENKO MRICS

Partner | Head Of Occupier Services
+7 (701) 951 15 24
semyon.yurchenko@cushwake.kz

ALI KASSYMGUZHIN

Consultant
+7 (701) 276 64 99
ali.kassymguzhin@cushwake.kz

ADELIYA BOLYSBEK

Consultant
+7 (771) 574 35 42
adeliya.bolysbek@cushwake.kz

GULSHAT SARIYEVA

Partner | Head Of Country
+7 (701) 266 97 13
gulshat.sariyeva@cushwake.kz

ALI ASOMOV

Senior Consultant
+998 99 088 2333
ali.asomov@cushwake.kz

ADIYA ABISHEVA

Marketing And Communications
+7 (771) 211 49 15
adiya.abisheva@cushwake.kz

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