

Analytical note on the results of the work of Almalyk MMC JSC for 9 months of 2020

Chairman of the Board of Almalyk Mining and Metallurgical Joint-Stock Company
– Khursanov Abdulla Khalmuradovich.

Fulfilling the most important priorities of the social and economic development program, the staff of “Almalyk MMC” JSC in 9 months of 2020 ensured the production of marketable products:

- in current prices - by 116.2 %,
- in comparable prices - by 100.7 %.

The growth rate of commodity output in comparable prices to the corresponding period of 2019 was 103.0 %.

The cathode copper output was 102.5 %, including 110.3 % of own raw materials, 72.7 % of metal zinc, including 100.0 % of own raw materials, 97.7% of sulphuric acid, 102.2% of refined gold and 131.7% of refined silver, and 82.7 % of Portland cement.

In 9 months of 2020, the company exported 95.1 % of its products.

Copper products - 41.0 thousand tons, metallic zinc - 3.8 thousand tons and Portland cement - 1371.4 thousand tons were traded at UzRTSB during January-September, 2020, of which 29.7 thousand tons of copper products, 3.1 thousand tons of metallic zinc and 1318.2 thousand tons of Portland cement were shipped.

Pursuant to the Decree of the President of the Republic of Uzbekistan dated 09.01.2020 No. IIII-4563 “On measures to implement the Investment Programme of the Republic of Uzbekistan for 2020-2022” for “Almalyk MMC” JSC in 2020 investment projects are implemented, aimed at increasing of mining and processing capacities with capital investments of 249,4 million USD, including:

at the expense of own funds - 232.0 mln. USD;

at the expense of the Fund for Reconstruction and Development funds - 16.0 mln.USD;

loans from commercial banks - 1.4 mln.USD.

Investments worth 183.7 mln.USD (107.2 %) were actually disbursed in 9 months of 2020:

at the expense of own funds - 163.8 mln. USD;

Fund for Reconstruction and Development funds - 16.4 mln.USD;

loans from commercial banks - 3.6 mln.USD.;

In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated 10.03.2020 No. 136 “About Program on localization of production of

goods in demand on internal and external markets in 2020-2021 years” “Almalyk MMC” JSC in 2020 envisages the implementation of 49 projects for total amount of 120.0 billion UZS.

In 9 months of 2020, the company produced localized products under 63 projects worth 110.1 billion UZS or 119.1 % of the forecast.

According to the Decree of the President of the Republic of Uzbekistan No. PP-2692 dated December 22, 2016 “On additional measures for accelerated renovation of physically worn-out and obsolete equipment, as well as reduction of production costs of industrial enterprises”, 189 units of technological equipment worth 13,824.0 thousand US dollars are subject to replacement and modernization in 2020.

In 9 months of 2020, 30 items of equipment for 3070.6 thousand USD were replaced and rehabilitated.

A set of organizational and technical measures has been developed to reduce production costs in 2020, providing for a reduction in the cost of production by 338.9 bln. UZ Soums or 3.2 %.

The expected result of implementing the complex of measures to reduce production costs in 9 months of 2020 will make up 965.6 bln. UZ Soums or 12.4 %, including production cost - 698.7 bln. UZ Soums or 8.9 %.

The Company took measures to improve its management, strengthen its financial and economic position and monitor the reduction of accounts receivable and payable.

As of 01.10.2020, expected accounts receivable will make up 729.6 bln. UZ Soums, including overdue debts for 134.2 bln. UZ Soums and accounts payable for 939.4 bln. UZ Soums.

There are no arrears to the budget or salaries.

Under the technical training programme, 4798 workers were trained to improve their skills, 1708 were retrained and learned a second profession, and 1476 managers and specialists were upgraded and retrained, including 260 by separation from production.

The training center has developed a program to implement distance learning. Leading specialists of the Training Center, as well as specialists of the plant in the main areas of training were involved in the organization of this type of training.

According to the distance learning implementation program, an electronic document management system was developed, an electronic database of documents, and an electronic version of the library (knowledge base) was launched on the edu.agmk.uz platform. Filming of video tutorials according to the curriculum was organized. Telegram channel for organized groups of students has been launched.

In August, distance learning for the plant’s employees in the area of “Industrial Safety” was organized, the training is carried out according to the developed program and special methods.

In 9 months of 2020, 553 employees of the plant were trained by remote method.

On the basis of the order No. 2452 dated 12.08.2020 “online on-job training” the “Online Practice” telegram channel was launched, where video materials and media files about the combine activities are posted. In August-September, 43 students from National Research Technological University “Moscow Institute of Steel and Alloys” organized online internships.

“Almalyk MMC” JSC cooperates with ten universities in the Republic of Uzbekistan and the Russian Federation to train specialists on a contract basis, the total number of trainees is 344 persons, including in the Republic of Uzbekistan:

- Almalyk branch of Tashkent State Technical University - 248 students;
- Almalyk branch of National Research Technological University “Moscow Institute of Steel and Alloys” - 9 students;
- Navoi State Mining Institute - 20 students;
- Tashkent State Technical University - 6 students;
- Tashkent University of Information Technology - 2 students;
- Tashkent Institute for the design, construction and operation of roads - 2 students;
- Tashkent Institute of Chemical Technology - 1 student;
- Tashkent State University of Economics - 1 student;
- National University of Uzbekistan - 1 student;
- at the Higher School of Business and Management under the National Academy of State Administration under the President of the Republic of Uzbekistan - 1 student.

in the Russian Federation:

- National Research Technological University “Moscow Institute of Steel and Alloys” - 73 students.

In 2020, 106 persons graduated from the university and the academy at the expense of the plant, thereof:

National Research Technological University “Moscow Institute of Steel and Alloys”- 39 persons;

Almalyk branch of Tashkent State Technical University - 43 persons;

Navoi State Mining Institute - 20 persons;

Academy of State Administration under the President of the Republic of Uzbekistan - 2 persons;

Banking and Finance Academy - 2 persons.

Specialists of the Training Center participated in the organization of the entrance exams to the Almalyk branch of the National Research Technological University “Moscow Institute of Steel and Alloys”.

Measures for joint work with universities have been developed for academic year 2019-2020. The need for graduates of universities until 2030 has been determined.

662 students of professional colleges underwent on-the-job training at the Company’s structural units.

Apprenticeship in the structural subdivisions of the mill for job training instructors and teachers, specialists in disciplines - 46 people.

The graduates of vocational colleges were distributed and 780 graduates of the Almalyk mining and mining and metallurgical vocational colleges, 25 graduates of the Chirchik Industrial Vocational College, 27 graduates of the Denau Mining Industrial Vocational College, and 28 graduates of the Angren Chemical Technology College were given referrals for employment. In addition, based on the results of the rating provided by vocational colleges, lists of graduates of vocational colleges were formed with the purpose of their employment and referrals were issued, but because of the quarantine, some of them were not employed.

During the reporting period 470 college graduates and 170 university graduates were employed in the company.

For the purpose of timely execution of orders of higher authorities, improvement of the system of control over execution discipline, a service for control over execution of orders of higher organizations (Order No. 322 dated April 26, 2017) was established within the Executive Office of “Almalyk MMC” JSC and the procedure for systematic and critical analysis of the execution discipline was established.

Throughout the period, work was carried out to introduce a system of reporting and monitoring of the implementation of documents within the established time frame, and to study the progress of laws, acts of the President and Government decisions implemented in the field. According to the plan of work of the company, protocols with the preparation of analytical reports are being prepared.

Systematic work is being carried out to critically analyse the implementation of own decisions, identify shortcomings and develop specific measures to address them.

In January-September of 2020 “Almalyk MMC” JSC ” registered a total of 559 acts, including 103 acts and instructions of the President of the Republic of Uzbekistan (5 decrees, 16 orders, 1 instruction, 11 protocols, 70 orders of the Presidential Administration), 456 acts and instructions of the Cabinet of Ministers (46 orders, 13 resolutions, 57 protocols, 188 instructions of the Prime Minister, their deputies and advisers, and 152 instructions of the Cabinet of Ministers Secretariats).

In September 2020, Almalyk MMC JSC registered a total of 56 acts, including:

- acts and instructions of the President of the Republic of Uzbekistan - 7 (decree - 1, instructions of the Presidential Administration of the Republic of Uzbekistan - 6);

- acts and instructions of the Cabinet of Ministers - 49 (resolutions – 4, regulations - 3, protocols - 6, instructions of the Prime Minister, their deputies and advisers - 23, instructions of secretariats of the Cabinet of Ministers - 13);

- as well as 185 letters and orders from ministries and departments.

To ensure an open dialogue with citizens, thorough consideration and resolution of appeals, the Service for Control and Coordination of Work with Applications of Individuals and Legal Entities has been established at the company. A daily reception is organized.

For January-September of 2020 1996 appeals were received. Based on the results of the review, action was taken on 1906 applications, 21 applications were rejected as required by law, and 90 applications are under review.

The nature of the applications is the provision of material assistance, employment, treatment, utilities, reinstatement, transfer to other subdivisions of the mill, as well as transportation problems and others.