

Project of “Sodeistvie” charitable fund on organizing and opening of production enterprise

Kyrgyzstan is a multinational state. One of the former Soviet republics, it became sovereign state in 1991.

Today general economic situation in Kyrgyzstan is far from satisfactory. Economic fault, beginning since 1991 and deepening due to the lack of sustainable industrial links and liberalization processes, led to such problems as high level of inflation, growing level of poverty, decrease of GNP. For the time being the Kyrgyz Republic takes only the 109th place in rating among 174 countries of the world.

Growing production decrease caused by destroy of industrial links that were during USSR time, and absence of raw material supplies, led to mass unemployment in the country. The rising unemployment in the country is increased by the absence of all-state system of industrial planning, valuable number of small private enterprises. These enterprises are often created without proper market analyses and planning. All this leads to unstable productive activity and destruction.

Nevertheless there is a row of industrial branches and directions that have good chances in progress not only for stable existence but also for development of production. It is obviously that to organize a production enterprise, first of all, it is necessary to hold preliminary researches. It relates to raw material market, as well as to seller's market and productive resources.

We propose a row of directions in production sphere. These directions after primary analyses have valuable chances for successful development in Kyrgyzstan in modern conditions.

The economy of the country is dominantly agrarian; agriculture gives about 80% of GDP. As a result of it, large squares in the country are occupied by various agricultural cultivation. It relates not only to cereals but also to vegetable and fruit growing. That's why one of perspective branches of industry is a converting agricultural production, namely fruit and vegetables, with following packing and standardization. For successful development of such enterprise, it is necessary to enter subdivision on package production and packing of the finished products in the enterprise's infrastructure.

Production of construction and repairing materials also has good chances for success, namely lacquer- painting production, production of trimming stone, break and tile. This direction, first of all, will be assisted by the fact that raw material resources in this sphere of production is practically unlimited and located on the whole territory of the country. It will lead to valuable decrease of cost price and to increase of the production's ability to compete with in the market. In this direction it is also necessary to develop package production for finished products in this infrastructure, especially in lacquer- painting production.

One of the perspective directions in sphere of production enterprises is metallurgical production, and namely production of rolling metallurgical products. In this direction a prospect is an absent of such goods and services in the country's market up to present time. In previous times rolled metal production was imported from Russia.

Thus in spite of existing fault of production in the country in general and low purchasing power of the local market, there are many perspective directions and their development has good chances for integration in close future. Doubtlessly, for successful creation of enterprises and for their further existing in the market, it is necessary to make preliminary detailed researches in sphere of raw material resources for each branch individually; to make marketing search of industrial equipment, and to survey human resources' market, taking into account local conditions and seller's market of finished products.

Below we present the plan for organizing of production enterprises on branches mentioned above, and tentative expenses budget for fulfillment of organizing and research measures.

1.1 Plan for organizing of production enterprise on agricultural products convert.

After preliminary studying of local resources market in this direction, we found perspective sector in processing of fruit and vegetable production. Raw materials market is full of relatively inexpensive production. Climatic terms determine long enough period of supply in the local market of various fruit and vegetable growing. Besides, ecological

aspect should be considered too. During the last years agricultural enterprises do not use additional fertilization of soils due to expensive chemicals and absence of finance donations in this sphere. As a result, local raw material resources make opportunity to produce ecologically clean production. Previous experience of some enterprises shows their profitability and vitality.

To work out the project of such enterprise, firstly it is necessary to involve consultants (technologist of food industry, specialist on industrial equipment) for planning of production procedure and further keep of finished products. Sure it is necessary to make marketing search of appropriate equipment for the production. At the same time it is also necessary to make survey in seller's market of finished products with following analyses. Development and architect plan for necessary construction works are in separate article (with involvement of the State architect department and with creation of general plan of construction). Besides, it is necessary to make the same volume of work in preparing of packing production that is very important for further package of finished products.

Budget of expenses for organizing of production enterprise on agricultural products' convert

	Description of budget line	Month (soms)	Period (soms)	Month (\$)	Period (\$)
1	Salary for consultant (technologist of food industry)	4800	18800	100	600
2	Salary for consultant (specialist on industrial equipment)	4800	18800	100	600
3	Making and approval of general plan of construction	-	150000	-	3125
4	Marketing search of equipment necessary for production (salary for manager, review of literature and internet-review)	-	19200	-	400
5	Marketing survey of seller's market of finished production, with making questionnaire and further analyses of the survey's results	-	33600	-	700
Total		260400		5425	

The duration of this project is calculated for 6 months.

2.1 Plan for organizing of production enterprise on construction, repairing materials and rolling metallurgical products.

Kyrgyzstan is a mountain country having unlimited resources of slate rocks, alumina and other separate kinds of minerals that are necessary for production of construction materials and lacquer-painting products. Availability of such raw material base, doubtlessly will lead to valuable decrease of cost price and increase of ability to compete in the goods market.

To develop the project of such enterprise, it is also necessary to involve specialists-consultants in this industrial branch (chemical technologist, specialist on industrial equipment) for planning the production. It is also necessary to hold marketing search of equipment and raw material resources (by types of production). At the same time it is also necessary to make survey in seller's market of finished products with following analyses. Development and architect plan for necessary construction works are in separate article (with involvement of the State architect department and with creation of general plan of construction). Besides, it is necessary to make the same volume of work in preparing of packing production that is very important for further package of finished products (especially for lacquer-painting production)

Budget of expenses for organizing of production enterprise on construction and repairing materials

Description of budget line		Soms	\$
1	Salary for consultant (chemical technologist)	38800	600
2	Salary for consultant (technologist of stone-processing industry)	38800	600
3	Salary for consultant (technologist of metal-processing industry)	38800	600
4	Salary for consultant (specialist on industrial equipment)	38800	600
5	Making and approval of general plan for construction of enterprise (each)	342000	3125
6	Marketing search of necessary equipment for production	19200	400
7	Marketing survey of seller's market of finished production, with making questionnaire and further analyses of the survey's results	23600	700
Total		510000	10625

The duration of this project is calculated for 6 months.