



# CASE STUDY

## SUPPLY CHAIN CONTROL FOR RAIL ROAD CONSTRUCTION IN UZBEKISTAN

The construction project of the 220 km Tashguzar-Kumkurgan railway line was one of the largest projects in the rail road sector of Uzbekistan. The railway line, giving access to the Persian Gulf through Afghanistan and Iran, plays a big role in the development of international relations and economy of Uzbekistan.

### SGS ASSURES QUALITY AND COMPLETENESS OF GOODS

To assure independent control of all supplies and meeting contractual terms Bonview Overseas Ltd. selected SGS as an inspection partner. SGS inspected all supplies for the building of the new rail road line Tashguzar-Kumkurgan in South Uzbekistan. SGS inspectors checked quality and completeness of dispatched goods (documentary audit, visual and measuring control) in Russia and Ukraine and performed unloading inspection and acceptance of goods in Uzbekistan on a regular basis. Goods to be inspected included transport metal-roll, railway fasteners, spare parts for diesel locomotives, electric locomotives, passenger cars etc. In average, SGS spends 10-15 man-days per month of inspection in the framework of the project. Based on the inspection results, the SGS experts issued independent inspection certificates which confirm that the quality and completeness of the goods meet the state standards or the technical specifications effective in the manufacturing plant's country (GOST). In case of non-conformity the manufacturer had to either replace goods or eliminate the non-conformity. Inspection certificate by SGS were the basis for financial settlements between project's participants.

During the project, SGS inspectors checked goods manufactured at several plants in Russia and Ukraine, e.g. Evraz Holding, Novokuznetsk Metallurgical Kombinat («NKMK»), Nizhniy Tagil Iron and Steel Works («NTMK», part of Evraz Group), Transmashholding, Murom Switch Works, Severstal, MMK-METIZ, Kalugaputmash, SibEnergResource and Inter-RTI.

Svetlana Volkova, Chief of the working group Tashguzar-Kumkurgan Bonview Overseas Ltd., stated „Thanks to SGS inspections we obtain authentic and timely information regarding completeness and quality of the goods shipped by the manufacturer. As a result, we hold the whole supply chain of the project under control. I would like to express my gratitude to all SGS staff we have been in contact with.“

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