

# Invest in Uzbekistan





# Uzbekistan: Main Facts



Total Area 448.9 km<sup>2</sup>



Total Population 34.5 million



Density 76 people per km<sup>2</sup>



Languages Spoken Uzbek, Russian, English



Natural Resources Over 1800 Mineral Reserves



Gold



Uranium



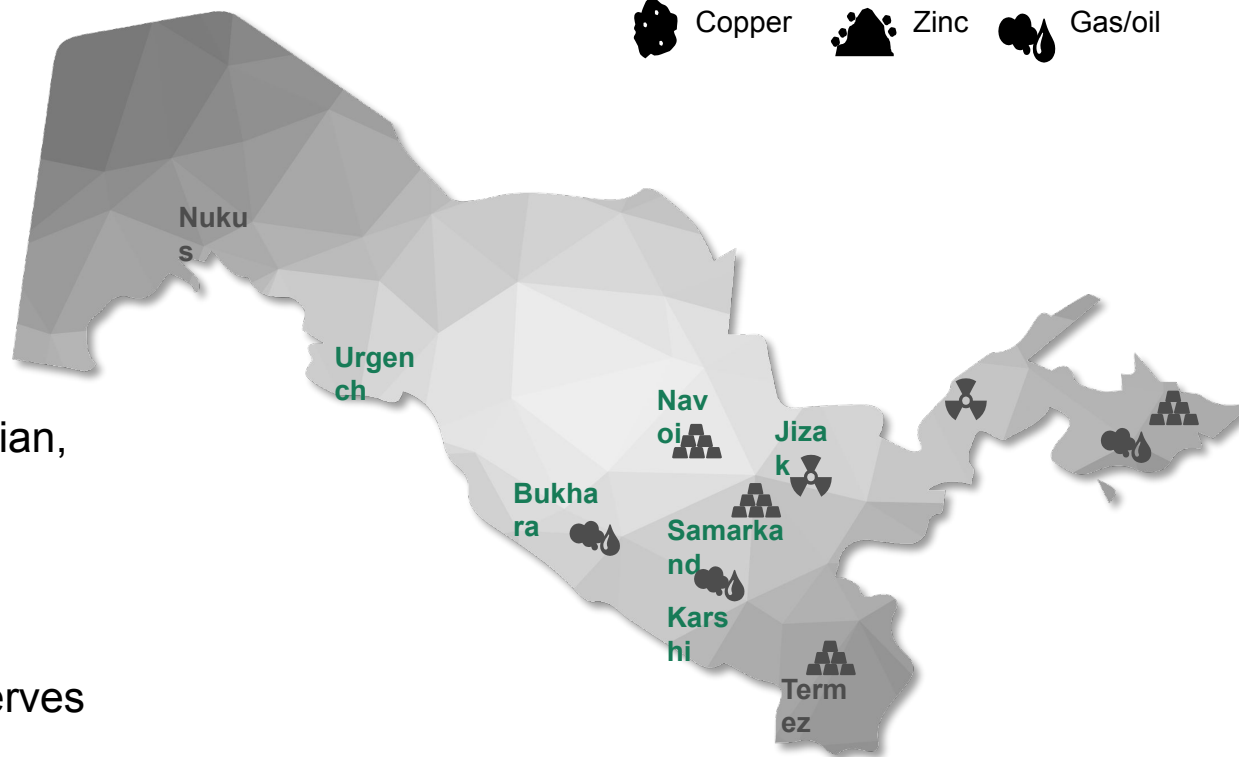
Copper



Zinc



Gas/oil





# COVID-19 Anti-Crisis Measures for 2020-2021



**Anti-Crisis Fund under the Ministry of Finance**



**Prolongation of Loan Payments for Entrepreneurs**



**Reduction of the Main Rate to 14% by the Central Bank**



**Creation of the Republican Export Support Headquarters**



**Tax Incentives for Entrepreneurs**



**Governmental Commission on Export and Investment Development**



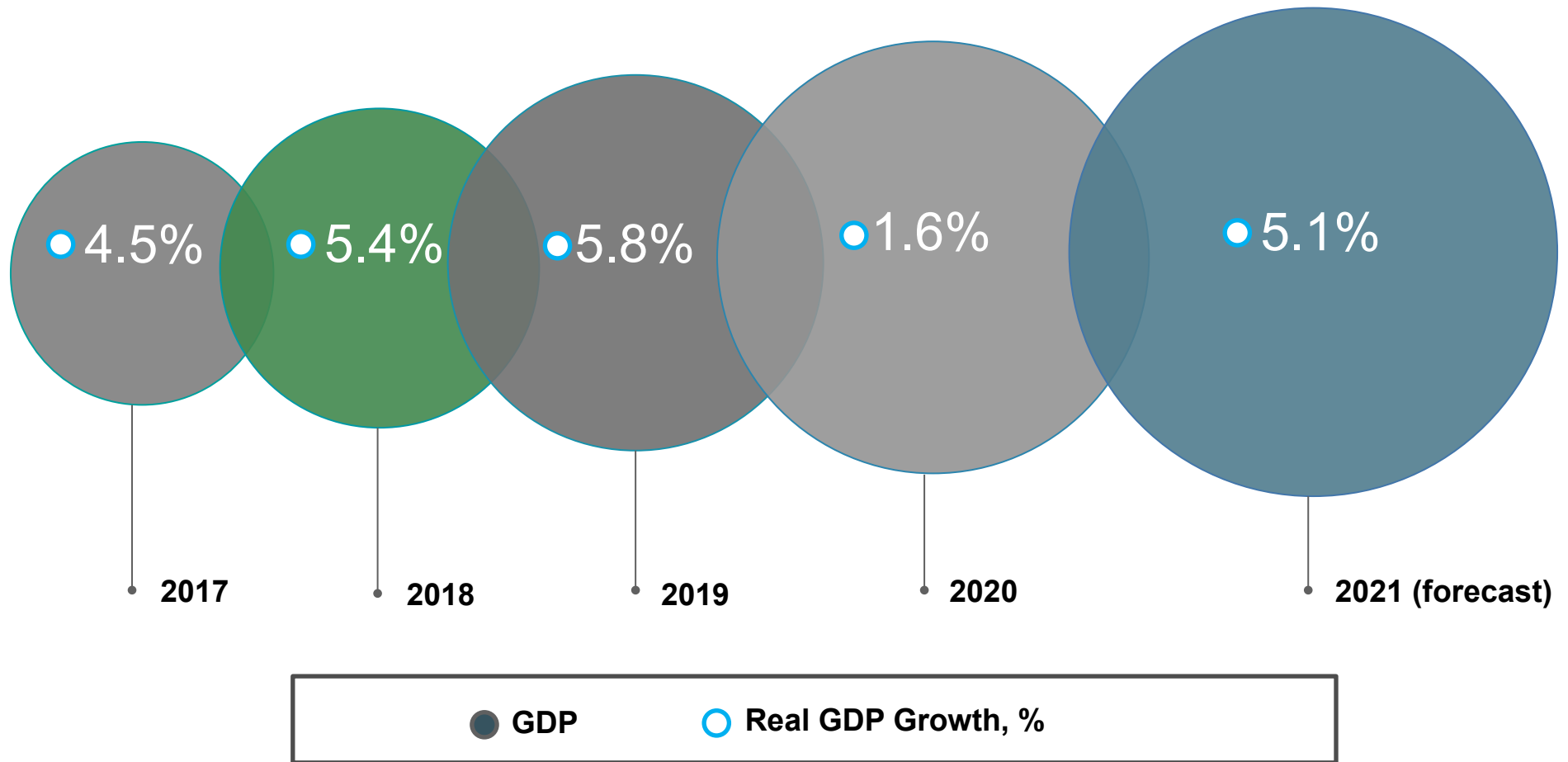
**Issuance of Force Majeure Certificate by the Ministry of Investment and Foreign Trade**



**Pre-Export Financing of \$100 mln. for entrepreneurs**

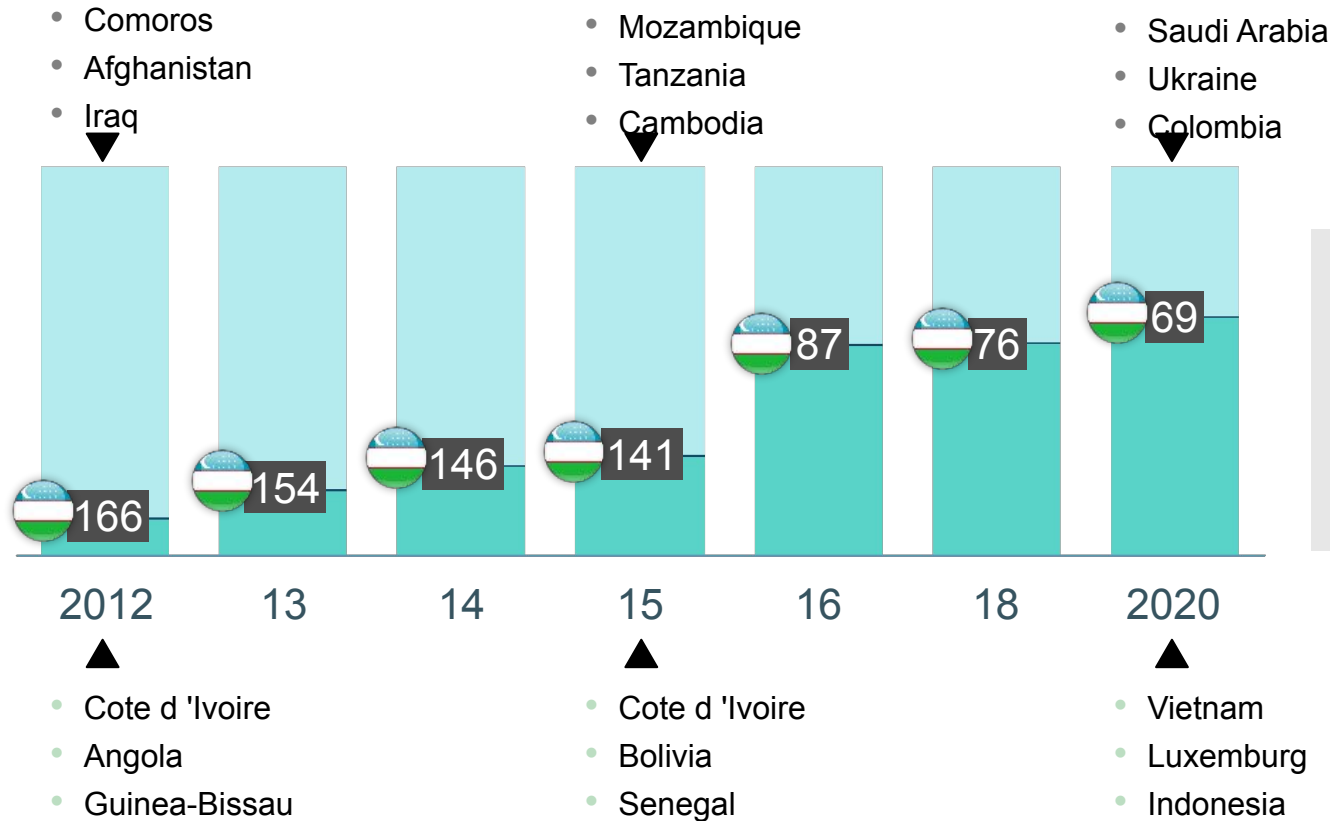


# GDP Growth of Uzbekistan





# World Bank's Doing Business Ranking: 90+ points improvement during the past 8 years



**Countries that are ranked one of the 10 positions above**

Uzbekistan is now among the leaders in a number of areas

- Starting a Business (8 position)
- Getting Electricity (36 position)
- Enforcing Contracts (22 position)

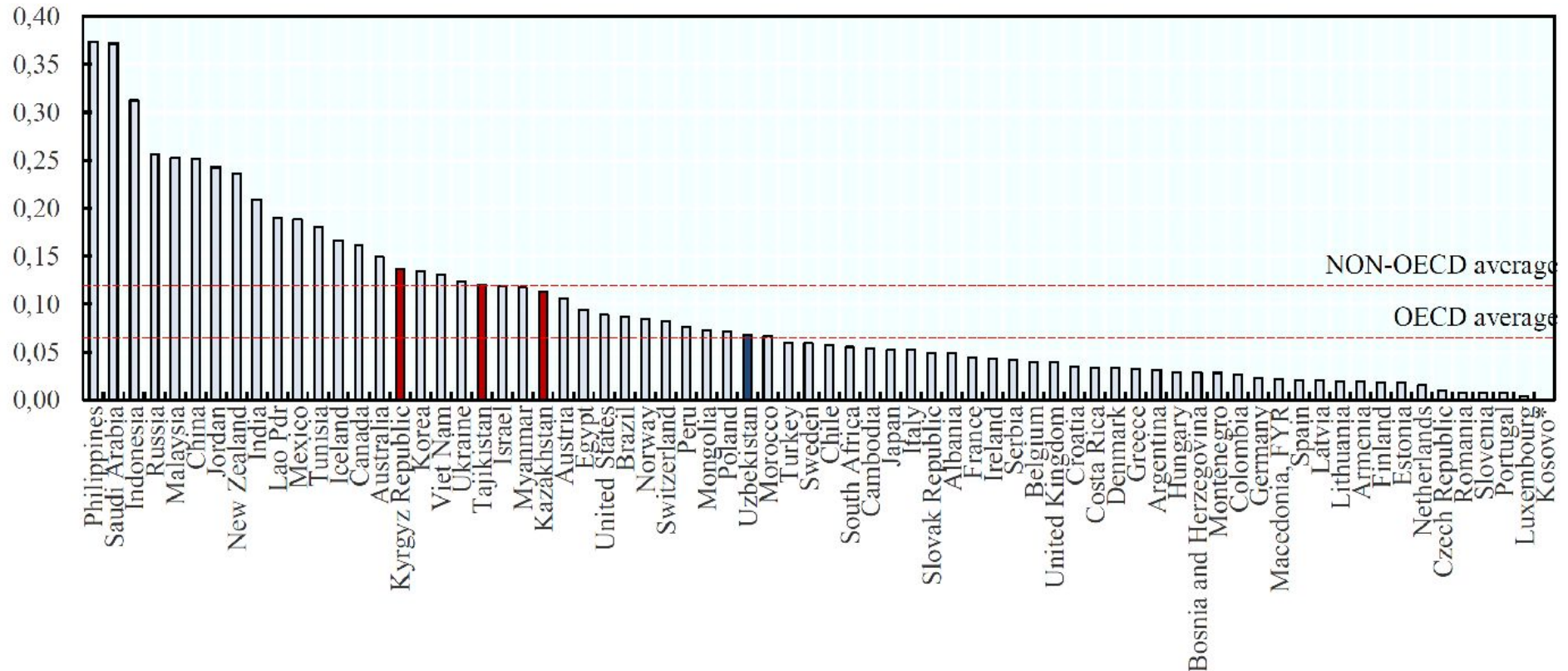
**Countries that are ranked one of the 10 positions lower**

*Uzbekistan was included into the TOP 20 reformer countries*



# OECD FDI Regulatory Restrictiveness Index: UZBEKISTAN (1/2)

## UZBEKISTAN IS OPEN TO FOREIGN INVESTMENTS



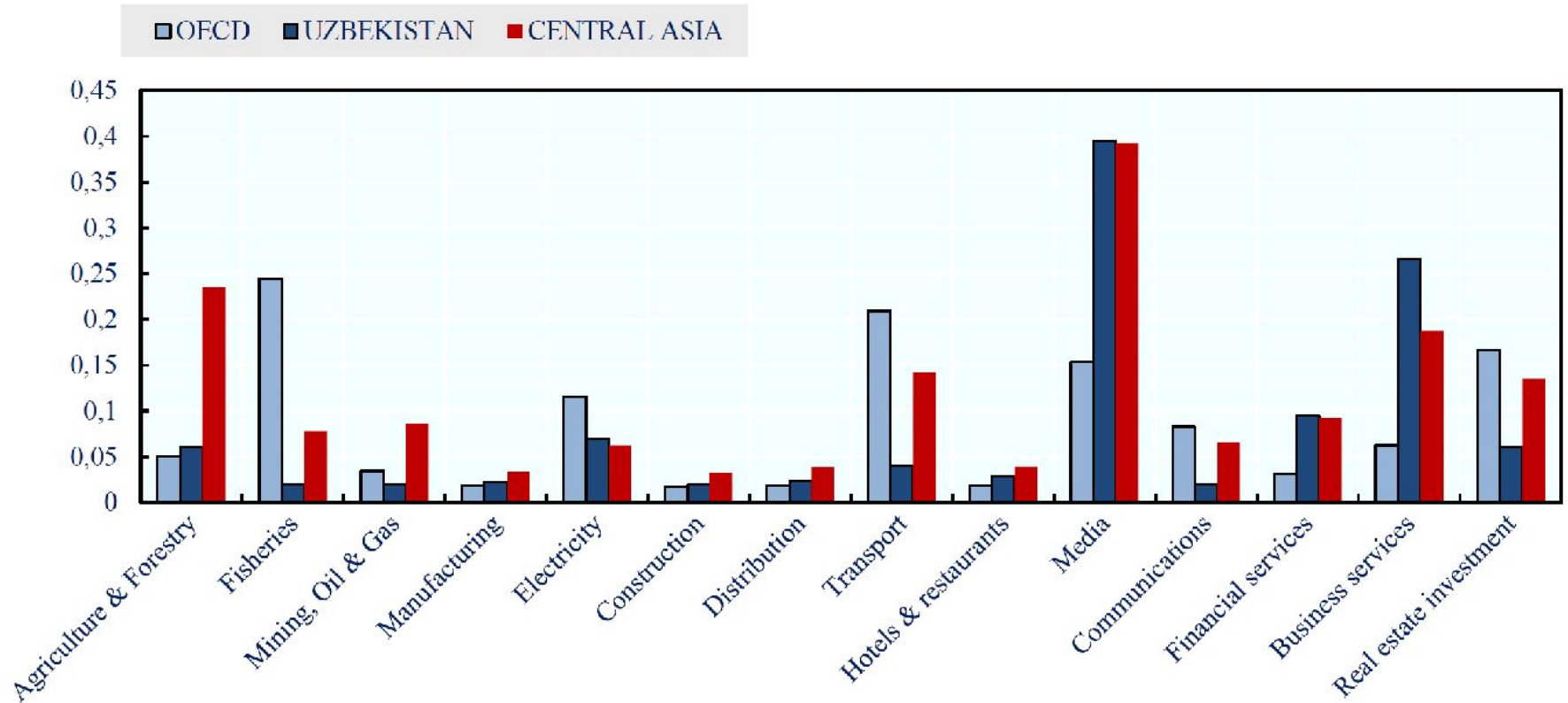
Note: Open=0, closed=1

Source: OECD FDI Regulatory Restrictiveness Index



# OECD FDI Regulatory Restrictiveness Index: UZBEKISTAN (2/2)

## UZBEKISTAN IS OPEN TO FOREIGN INVESTMENTS (Sectoral Restrictions)



Note: Open=0, closed=1

Source: OECD FDI Regulatory Restrictiveness Index



# Uzbekistan shows sustainable growth of financial stability and transparency

**Fitch**  
Ratings

**BB-** rating, with a stable outlook  
- First assigned credit rating

**STANDARD**  
&**POOR'S**

**BB-** long-term foreign  
currency rating

**MOODY'S**

**B1** long-term issuer rating

*Strong performance of Uzbekistan Eurobond sets a benchmark for corporate financing*

**4,75%-5.  
35%  
yield**

**5-10 year government Eurobond issued in February, 2019**

*Financial stability and transparency improved the international perception about economic risks*



**5<sup>th</sup> group of OECD Country risk classification since February 2019**





# Uzbekistan's Development Strategy for 2017-2021



## Public Administration

Strengthening the role of the Oliy Majlis and political parties in deepening democratic reforms and modernizing the country

Introduction of "feedback" tools into the activities of the Cabinet of Ministers to ensure dialogue with the people

Improving the E-Government system

Strengthening the role of civil society institutions and the mass media



## Rule of Law

Ensuring guarantees of reliable protection of citizens rights and freedoms

Ensuring the true independence of the judiciary

Improving the system of crime control and crime prevention

Improving the system of legal aid and legal services



## Economic Liberalization

Improving currency regulation

Reduction of the state share in the economy

Increase of attracted foreign investments

Development of small and medium-sized businesses

Improving the country's position in international rankings and indices



## Social Protection

Increasing the socio-political activity of women

Increase in employment and real incomes of the population

Improving the system of social protection and health protection of citizens

Improving the state youth policy



## Security and Interethnic Concord

Protection of sovereignty and territorial integrity

Strengthening the country's international image

Creating a belt of security, stability and good-neighborliness around Uzbekistan



# Progress of Reforms 2017-2021



**Liberalization of  
Currency Regime**



**Business  
Ombudsman under the  
President of  
Uzbekistan**



**20+ Ministries have  
been optimized**



**Reduction of  
customs duties**



**Established  
visa-free regime  
for citizens of 65  
countries**



**Residence permit for  
citizens of 109 countries  
when purchasing real  
estate**



**Privatization**



**State Assets  
Management Agency**



**Export Promotion  
Agency**



**Establishment  
of Investment  
Promotion Agency**



**Achievements  
in Property Rights**



**Establishment  
of the Direct  
Investments Fund**



**Prime-Minister's  
Receptions for  
Appeals of  
Entrepreneurs**



**Introduction of  
Public-private  
Partnerships  
(PPPs)**



**Beneficiary to  
GSP+ Scheme**



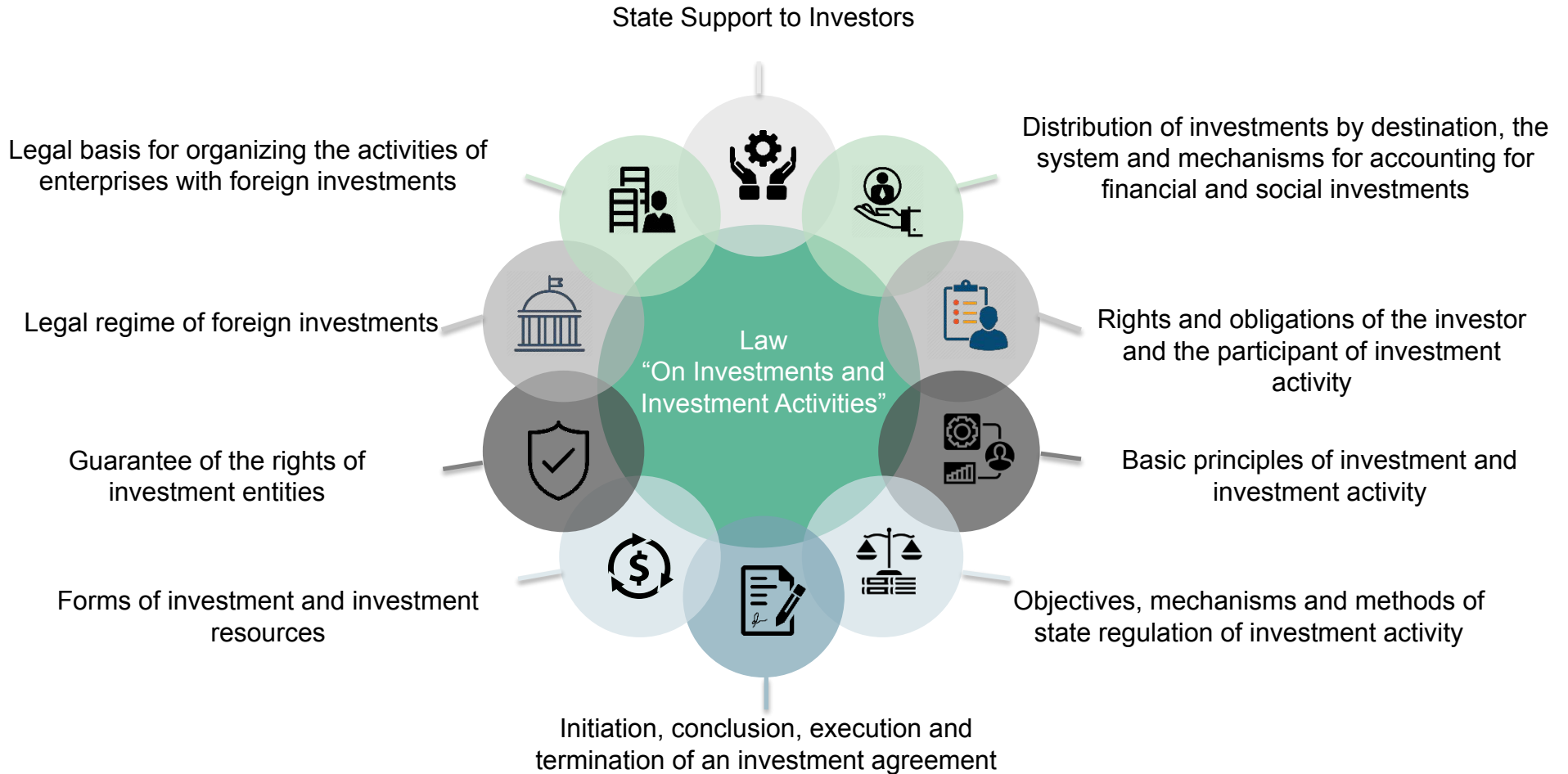
**Anti-Corruption  
Agency**



**Foreign Investors  
Council under the  
President of  
Uzbekistan**



# Law of the Republic of Uzbekistan “On Investments and Investment Activities”



*The Law consists of **12 chapters**, **69 articles** and is designed as a single legislative act to replace the previous **3 laws** and more than **50 by-laws**.*



# Reforms of the banking sector will be carried out in tandem with the reforms of state-owned enterprises

## Objectives of the Strategy:

- To improve the efficiency of the banking system;
- To ensure its financial stability;
- To reduce the state's share in the industry;
- To improve the availability and quality of services.

## Roadmap for Implementation of the Strategy:

- Transformation and privatization of banks;
- Expanding the range and improving the quality of services provided;
- A project office for the transformation and privatization of commercial banks with state shares will be established under the Ministry of Finance;
- Implementation of international reporting standards.

## Future Plan:

- Growth of assets of banks without state participation from 15% to 60%;
- Increase in the share of bank liabilities to the private sector from 28% to 70% in the total volume;
- Increase in the share of non-bank credit institutions from 0.35% to 4%;
- Attracting at least 3 foreign investors to the capital of at least 3 banks.



## Banking sector

Decree of the President of the Republic of Uzbekistan No. UP-5992 dated 12.05.2020  
“On Strategy of Reforming the Banking System of the Republic of Uzbekistan for 2020-2025”



The state share will be retained in:



O'ZMILLIYBANK



The following banks will be privatized :





# Reform of state-owned enterprises and privatization of state assets

Under the Presidential decree, more than **620** state assets will be transformed, submitted to public auction, sold to the private sector; and the practice of selling state objects at “zero” redemption value will be abolished.

## The following was approved under the document:

- 1** A list of large state-owned enterprises and business associations to be transformed (**32** objects)
- 2** A list of state-owned enterprises that are to implement corporate governance and financial audit, to improve operational efficiency (**39** objects)
- 3** A list of state assets submitted to public auction through targeted programs of pre-privatization preparation and increase of investment attractiveness (**62** objects)
- 4** A list of enterprises whose state-owned shares (shares) are to be fully sold to the private sector through public auctions (**479** objects)
- 5** A list of immovable objects of state property to be sold to the private sector (**15** objects)



## Privatisation

Decree of the President of the Republic of Uzbekistan No. UP-6096 dated October 27, 2020 “On measures for Accelerated Reform of Enterprises with State Participation and Privatization of State Assets”



UZBEKNEFTEGAZ



“NAVOIYAZOT” AJ



FOTON  
АКЦИОНЕРНОЕ ОБЩЕСТВО



UZBEKISTAN  
airways



АКЦИОНЕРНОЕ ОБЩЕСТВО  
КВАРЦ



O'ZBEKISTON POCHTASI



KAFOLAT  
Insurance Company



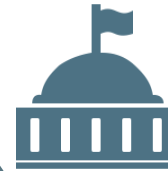
# Governmental Commission on Export and Investment Development

## COMMERCIAL BANKS



- Allocation of working capital loans
- Project financing

## MINISTRIES AND AGENCIES



- Assistance in obtaining licenses and permits
- Solving the problematic issues of exporters and investors

## GOVERNMENTAL COMMISSION



## DIPLOMATIC MISSIONS ABROAD



- Export promotion
- Attraction of foreign investments

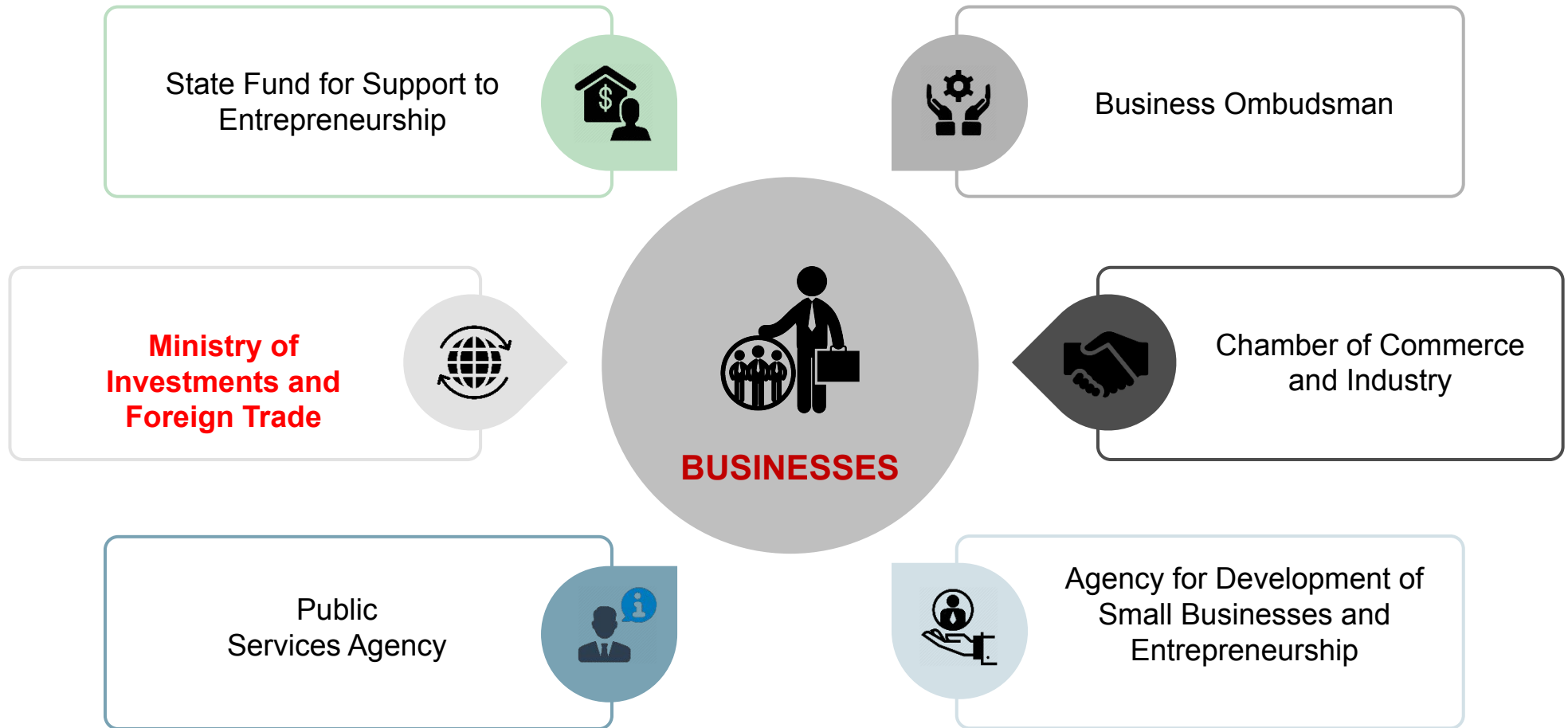
## LOCAL MUNICIPALITIES



- Solving problematic issues in investment and trade
- Monitoring the implementation of regional investment projects



# Key Organizations that Provide Continuous Support to Entrepreneurs



Thank you for attention!

Expand your  
horizons!