

ESTABLISHING BUSINESS IN UZBEKISTAN

Table of Contents

I. Market entry	3
A. Incorporation of a legal entity in Uzbekistan.....	3
B. Non-corporate forms of performing business activity in Uzbekistan.....	5
II. Foreign investments regulation.....	7
III. Taxes, incentives and custom fees	8
IV. Licenses, permits and notifications	12
V. Technical regulation and standardization	14
VI. International transactions	15
VII. Labor regulation	18
VIII. Liquidation of a legal entity.....	20
IX. Dispute resolution	23

Abbreviations

RUz – Republic of Uzbekistan;
BCV - basic calculated value;
CPS– Center for Public Services;
CEO– a company’s director;
CFO– a company’s accountant;
EFI – an enterprise with foreign investments;
GMP – the General Meeting of Participants;
JSC – a joint stock company;
LLC – a limited liability company;
RO – a representative office of a foreign entity;
PE – a permanent establishment of foreign entity;
SEZ – Special Economic Zones;
UzSum – the currency of the Republic of Uzbekistan;
USD– United States Dollars;
UEISFTO–Unified Electronic Information System of Foreign Trade Operations;
VAT– value added tax.

I. Market entry

There are several forms or vehicles through which foreign companies or individuals can conduct business activities in Uzbekistan. A foreign company or individual can use one of these vehicles:

- (A) Incorporation of a legal entity in the form of:
 - a joint stock company (JSC);
 - a limited liability company (LLC).
- (B) Without opening a legal entity, but having the form of a subdivision of a foreign (parent) legal entity:
 - a representative office (RO);
 - a permanent establishment of foreign entity (PE).

A. Incorporation of a legal entity in Uzbekistan

A legal entity in Uzbekistan can be incorporated in the following forms (note that the list is not exhaustive):

- 1) **JSC:** Primarily used by large enterprises, it features a complex corporate management and reporting system for shareholders and regulatory bodies and is required to publicly disclose corporate information. Currently, there are no requirements for the value of the charter capital, although the minimum amount can be determined based on licensing requirements.
- 2) **LLC:** The most widely applied form of corporate entity; it has a simplified management and reporting system. At present, there are no requirements to the value of the charter capital. However, similar to JSCs, the minimum value of the charter capital can be determined according to licensing requirements.

All legal entities, including those formed by foreign investors, follow a uniform procedure for state registration with certain deviations. As an example, the procedure below describes registration of an LLC with a sole founder through an authorized representative.

1. Procedure for state registration of legal entities

The procedure for state registration of legal entities in the territory of Uzbekistan is regulated by the Resolution of the Cabinet of Ministers of RUz No.66 dated 09.02.2017. Legal entities, including those with foreign investor participation, can be registered in Uzbekistan through the Center for Public Services (CPS).

1.1. Preliminary steps

Before registering a business entity, the founder shall undertake following preliminary actions:

- 1) Identify a director (CEO) and draft an employment contract. A sample of the employment contract with a director of the business entity in Uzbek can be found [here](#);
- 2) Identify an accountant (CFO) and draft an employment contract. A sample of an employment contract with an accountant of a business entity in Uzbek can be found [here](#);
- 3) Determine the location of the business entity and draft a lease agreement for non-residential premises. A sample lease agreement for non-residential premises is available [here](#);
- 4) Decide on the name of the business entity;
- 5) Prepare sketches of corporate stamps;
- 6) Select the business entity's servicing bank;
- 7) Issue a power of attorney to the authorized representative of the founder (if applicable);
- 8) Prepare articles of association and other documents for submission to the registration authority.

1.2. Registration

After the procedure above has been completed, the representative shall refer to the CPS for the registration of the business entity.

The representative for the registration of the business entity can apply to any CPS, regardless of the postal address of the business entity.

To register a business entity with a sole founder, the following documents are required:

- Decision of the sole founder approving the charter of the business entity. You can download a sample of such a decision [here](#).
- Charter of the business entity. You can find a sample of the charter [here](#).
- Document certifying the identity of the representative (passport, military ID card, driver's license, other document certifying the identity and place of residence in the Republic of Uzbekistan) and personal identification number of individual (PINI) issued in Uzbekistan;
- Document confirming the authority of the representative, (e.g., power of attorney, contract, decision of the founder, or other documents in accordance with the law). You can download a sample power of attorney [here](#).
- Reserved company name;
- Cadastre number of the leased or owned premises;
- PINI of the founder (if an individual) and of the CEO;
- Information on the payment of the state fee or a copy of payment order confirming payment of the prescribed fees;

The representative may pay a state fee at the CPS registry, where they will receive a document confirming the payment. The state fee for registering a business entity is 1 BCV (basic calculated value), approximately 29 USD.

Upon submission of the necessary documents listed above, the CPS employee will register the business entity within 30 minutes.

1.3. Office premises

It is important to secure suitable office premises for future lease or ownership by the new company. This is necessary, as without an office, the company's registration cannot be completed. Affordable office premises can be rented at co-working business centers, which are offered from 80 to 200 USD per month.

Co-working centers

Name	Address	Tel	Website/Socials
GroundZero Minor	Tashkent, Yunusabad district, C-6, building 70	+998 (90) 901-20-01 +998 (90) 955-99-69	www.groundzero.uz
C-Space	Tashkent city, Chust street.1 100077	+998 (97) 736 20 22 +998 (97) 716 79 77	1. cspace.uz 2. facebook.com/CSpaceuz/ 3. instagram.com/cspaceuz/ 4. t.me/CSpaceuz
Bunker coworking	Tashkent, Ahmad Yunusabad district, Donish St., 19	+998 (95) 194-0194	1. facebook.com/bunkercoworkin... 2. instagram.com/bunker_coworking/ 3. t.me/bunker_coworking

1.4. Employees (local and/or foreign)

During the incorporation process, it will be necessary to find candidates for the positions of CEO and CFO (unless the CEO also handles bookkeeping) or enter into an agreement for outsourcing accounting services (with fees ranging from 400 to 700 USD per month or more, depending on the volume of work).

Please note that a company can employ foreign citizens to the positions of CEO and CFO, or a single citizen position of CEO combining CFO duties. Such foreign citizens will have to obtain a work permit within 3 months of starting employment. For a more detailed procedure of obtaining work permit, refer to General 6 "Labor issues".

1.5. Opening a bank account

Below is the list of the recommended banks in Uzbekistan:

"KAPITALBANK" JSB
"ASIA ALLIANCE BANK" JSB
"KDB BANK UZBEKISTAN" JSC
"NBUVEDUZBEKISTAN"
"ZIARRAT BANK UZBEKISTAN" JSC
"ORIENT FINANS BANK" PJSB
"ACAKA" JSC

1.6. Costs

Other costs (in addition to the state fee, stamps, and translations) may range from 100 to 500 USD. The higher expenses on incorporation may apply if the office premises are rented from a co-working center, which may request an upfront lease payment for 2 to 4 months. Monthly rental fees at co-working centers typically range from 80 to 200 USD per month. Registration of a company without providing information about the future lease of office premises is NOT admissible.

For more information visit: [Registration of LLC](#); [Registration of JSC](#).

B. Non-corporate forms of performing business activity in Uzbekistan

1. Permanent Establishment (PE)

The term Permanent Establishment (PE) refers to a fixed place of business through which a foreign legal entity carries out all or part of its business activities in the Republic of Uzbekistan. PE is a tax status by its legal nature and is created specifically to address tax issues of foreign legal entities. It is not an organizational or legal form and does not constitute an independent subject of civil turnover.

PE may be understood to mean any of the following:

- any place of management, branch, department, bureau, office, cabinet, agency, factory, workshop, shop, or laboratory;
- any place where the manufacture, processing, finishing, packaging, and wrapping of goods are carried out;
- any place, including a warehouse, used as a retail outlet;
- any plant or structure (including its installations) used for the exploration, development, extraction, and/or exploitation of natural resources, but only if the plant or structure is used or ready for use for more than 183 (one hundred and eighty-three) days;
- any place of performance of activities (including control or observation) relating to a pipeline or gas pipeline;
- any place of performance of activities related to installations, adjustment, and operation of gaming machines (including consoles), computer networks, communication channels, or amusement rides.

The date on which the foreign legal entity commences its activities in the Republic of Uzbekistan is considered to be the date on which the contract is concluded.

The following contracts are the basis for the establishment of PE:

- a contract on the provision of services in the Republic of Uzbekistan;

- a contract on the provision of services in the Republic of Uzbekistan under an agreement on the establishment of joint activity;
- a contract (transactions) on authorization to perform actions on its behalf in the Republic of Uzbekistan;
- an agreement on the purchase of goods in the Republic of Uzbekistan for use or sale on the territory of the Republic of Uzbekistan;
- a contract for the purchase of goods in the Republic of Uzbekistan;
- an initial employment contract for the purpose of performing work in the Republic of Uzbekistan.

2. Representative office of a non-resident company (RO)

The legal status of Representative Offices (ROs) is regulated by [Appendix No.1](#) of the Resolution of the Cabinet of Ministers of RUz No.76 dated 07.02.2024: Regulation on the procedure for accreditation and activities of representative offices of foreign commercial organizations in the territory of the Republic of Uzbekistan.

An RO does not hold the status of a legal entity in Uzbekistan. It should also be noted that RO cannot engage in any type of economic activity other than marketing (collection, processing and distribution of marketing information regarding the goods, works and services of the parent company). Economic activity carried out through representative offices (except for sales) may lead to the emergence of a permanent establishment for tax purposes of a non-resident legal entity and, if carried out, lead to the loss of accreditation. Additionally, an RO is not permitted to generate income.

Comparative form of Pros and Cons of permanent establishments and representative offices

		Pros	Cons
1)	Permanent Establishment (PE)	<p>1) Pays only the income tax and customs duties. Other corporate taxes payable by resident legal entities shall not be paid.</p> <p>2) Enjoys simplified tax reporting. By virtue of lack of national attribution, a non-resident Company (parent of the PE) shall pay taxes only on the income generated from the sources in the territory of Uzbekistan (including withholding tax) and few other taxes.</p> <p>3) Has the ability to own bank accounts abroad and perform payments from foreign bank accounts to other foreign bank accounts (i.e. payment outside Uzbekistan) or to bank accounts in Uzbekistan (cross-border payments).</p> <p>4) Can be easily winded-up (without the liquidation process).</p>	<p>1) Has obligations and duties arising from transactions concluded through a PE, which are created with and assumed by the non-resident parent legal entity.</p> <p>2) May face difficulty with importation of foreign labor force (as it is usually allowed only for resident entities).</p> <p>3) May experience certain limitations on importing equipment. Although there are no formal limitations, historically, a wider range of importation rights have been granted to resident entities.</p> <p>The national attribution of a PE (i.e. tax residence) in Uzbekistan means that the PE is treated as a tax resident of Uzbekistan for income generated within the country. However, the parent entity remains a non-resident of Uzbekistan.</p> <p>4) Cannot obtain license if the type of activity the company carries out requires licensing.</p>
2)	Representative office of a non-resident company (RO)	<p>1) Does not pay taxes (as long as it does not perform economic activity)</p> <p>2) The national attribution (i.e. tax residence) in Uzbekistan applies only to taxes on RO employee salaries.</p>	<p>1) Cannot engage in any type of economic activity other than marketing (collection, processing and distribution of information).</p> <p>2) Economic activities performed beyond marketing could result in the</p>

	<p>3) Non-resident employees, if duly accredited, can enjoy the same rights as local citizens, such as acquiring and selling real property and using and operating bank accounts in foreign and local currency.</p> <p>4) All funds kept on the RO's bank account shall be the funds provided and deposited by the parent legal entity. Such funds, if not exchanged and consumed, could be easily transferred back to the parent entity.</p>	<p>establishment of a PE for tax purposes.</p> <p>3) Cannot generate income.</p>
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For more information visit: [Corporate structures: main differences: PE, representative office, subsidiary](#)

II. Foreign investments regulation

Applicable legal acts:

- 1) [Law of the Republic of Uzbekistan on Investments and Investment Activity No.598 dated 25.12.2019;](#)
- 2) [Law of the Republic of Uzbekistan on Public-Private Partnership No.537 dated 10.05.2019;](#)
- 3) [Law of the Republic of Uzbekistan on Production Sharing Agreements No.312-II dated 07.12.2001;](#)
- 4) [Law of the Republic of Uzbekistan on Special Economic Zones No.604 dated 17.02.2020;](#)
- 5) [Decree of the President of RUz No.4434 dated 10.04.2012;](#)
- 6) [Decree of the President of RUz No.3594 dated 11.04.2005.](#)

Note, that the list is not limited. Specific laws and bylaws can be applied depending on the investment project.

1. Investment agreements with Central governmental bodies

If a foreign investor plans to invest more than 10 million USD, the reference shall be made to the Ministry of Investment, Industry and Trade directly to discuss the chances of concluding an investment agreement with the state. In such projects, the state is not a participant in the company or project, but undertakes to provide land, infrastructure components and provides additional benefits for the import of equipment and taxation.

2. Investment agreements with Regional governmental bodies/ with SEZ administration

If the investment value is less than the specified threshold of 10 million US dollars, the project can be implemented using an investment agreement at the regional administration level or through the administration of specialized Special Economic Zones (SEZ), if applicable. Note that the value of incentives and preferences provided by Regional governmental bodies and SEZs are typically fewer compared to incentives and preferences provided by Central governmental bodies.

3. Enterprises with foreign investments

The status of an "enterprise with foreign investments" grants certain tax incentives to entities carrying out manufacturing activity. Economic privileges and exemptions may include exemptions from customs fees on imported technological equipment and the right to obtain certain tax deductions and customs privileges in the event of participation in priority projects or sector of economy specified by the Government. For more detailed information, please refer to the [Decree of the President of RUz No.4434 dated 10.04.2012.](#)

Registration of enterprise with foreign investments

The status of an "enterprise with foreign investments" could be granted to a company which meets the following requirements:

- the charter fund shall not be less than amount equivalent to 38,000 USD;
- the participatory share of the foreign investor shall not be less than 15% of the total amount of the charter fund.

The charter fund must be formed within 1(one) year from the date of state registration of legal entity. More information about tax incentives granted to enterprises with foreign investments can be found in section – General 2 “Tax, incentives, custom fees”.

For more information: [Privileges for enterprises with foreign investments](#); [Assimilation foreign investments](#)

III. Taxes, incentives and custom fees

Applicable legal acts:

- 1) [Tax Code of the Republic of Uzbekistan dated 30.12.2019 \(Tax Code of RUz\)](#);
- 2) [Customs Code of the Republic of Uzbekistan dated 20.01.2016 \(Customs Code of RUz\)](#);
- 3) [Law of the Republic of Uzbekistan on Special Economic Zones No.604 dated 17.02.2020](#);
- 4) [Decree of the President of RUz No.3594 dated 11.04.2005 on Additional Measures to Stimulate Attraction of Direct Private Foreign Investments](#);
- 5) [Decree of the President of RUz No.4853 dated 26.10.2016 On Additional Measures To Activate and Expand The Activity Of Free Economic Zones](#);
- 6) [Decree of the President of RUz No.4470 dated 02.10.2019 on Measures To Further Streamline Foreign Economic Activity And Improve The Customs And Tariff Regulation System of the Republic of Uzbekistan](#);
- 7) [Decree of the President of RUz No.213 dated 31.08.2022 on Additional Measures To Improve The Welfare Of The Population Of The Republic Of Karakalpakstan Through Accelerated Development Of Entrepreneurship, Innovative Technologies And Infrastructures](#);
- 8) [Decree of the President of RUz No.287 dated 30.12.2022 on Measures To Divide The Republic's Territories into Categories and Introduce a Differentiated System of Support for Entrepreneurship](#);
- 9) [Regulation on Determining the Criteria for Categorizing Legal Entities as Large Taxpayers, approved by the Decree of the State Tax Committee of RUz, reg. No.3172 dated 12.07.2019](#).

In accordance with the Tax Code of RUz, the following taxes are established in the Republic of Uzbekistan:

No	Tax	Rate
1.	Income tax	15 %
2.	VAT	12 %
3.	Excise tax	vary from 5% to 30 % on certain categories of goods
4.	Personal income tax	12 % as part of payroll 10 % on dividends of residents and non-residents
5.	Social tax	12 % as part of payroll
6.	Property tax	1.5 %
7.	Land tax	depends on rating per location
8.	Tax for the use of water resources	per cubic meter

Large taxpayers

In addition to ordinary taxpayers (individuals and legal entities), the legislation provides for a group of *large taxpayers* defined by the legislation. Taxpayers categorized as large taxpayers are determined on

the basis of the Regulation on Determining the Criteria for Categorizing Legal Entities as Large Taxpayers, approved by the Decree of the State Tax Committee of RUz, reg. No.3172 dated 12.07.2019.

1. Tax incentives

There are certain types of tax incentives provided by the legislation of the Republic of Uzbekistan:

No	Tax incentives	General description
1.	Industrial tax incentives	Incentives provided for the relevant industry, e.g. textile, agriculture, mining, etc.
2.	Territorial tax incentives	Incentives applicable to a particular administrative territory. Example: Republic of Karakalpakstan and Khorezm Region.
3.	Special tax incentives	Incentives applicable to SEZ participants. This category also includes individual incentives to investors under investment agreements (including PPP projects) concluded with regional and central State authorities.
4.	Tax incentives for certain types of production	Examples of this category include incentives related to the import of production equipment, which may be exempt from import customs duties, excise duties and taxes. Also, this category includes incentives provided for exporting enterprises.

1.1. Industrial tax incentives

Legislation provides a list of particular industries for which tax incentives are provided. To see the list of those industries refer to the Decree of the President of Ruz No.3594 dated 11.04.2005 "On Additional Measures to Stimulate Attraction of Direct Private Foreign Investments".

Enterprises, including JSCs, attracting direct private foreign investments, specializing in production of goods (provision of services) in the industries provided by the Decree of the President of Ruz No.3594 dated 11.04.2005, are exempted from paying:

- corporate income tax;
- property tax;
- single tax payment.

Tax exemptions are granted for the volume of direct private foreign investments equal (equivalent) to:

- from 300 thousand US dollars to 3 million US dollars inclusive - for a period of 3 years;
- over USD 3 million up to and including USD 10 million - for a period of 5 years;
- over USD 10 million - for a period of 7 years;

Tax incentives are applied if the following conditions are fulfilled cumulatively:

- the enterprise is located in all cities and rural settlements of the republic, except for the city of Tashkent and Tashkent region. This territorial restriction does not apply to enterprises engaged in tourism and waste management;
- the foreign investor realizes private direct foreign investments without requiring a guarantee from the Republic of Uzbekistan;
- the share of foreign participants in the authorized capital of the enterprise is no less than 33%, and for JSC - no less than 15%;
- foreign investment is made in the form of freely convertible currency or new, modern technological equipment;
- at least 50% of the income received as a result of granting these benefits during the period of their application is directed to reinvestment for the purpose of further development of the enterprise.

1.2. Territorial tax incentives

Decree of the President of RUz No.213 dated 31.08.2022 “On additional measures to improve the welfare of the population of the Republic of Karakalpakstan through accelerated development of entrepreneurship, innovative technologies and infrastructures”.

In the effort to improve the investment and business environment and provide youth employment in the Republic of Karakalpakstan:

(a) In the period from January 1, 2023 to January 1, 2028 business entities located in all districts of the Republic of Karakalpakstan and operating in the region will benefit from the following:

- a 50% reduction in tax rates on profit tax, turnover tax, property tax and land tax from legal entities;
- a reduction in the social tax, setting the tax rate at 1%;
- a 12-fold reduction in the social tax paid by individual entrepreneurs operating in cities, and a 6-fold reduction for those operating in districts, with the tax rate set at one times the basic estimated amount per year.

At the same time, the incentives established by this paragraph shall not apply to large taxpayers, permanent institutions, budgetary organizations, state enterprises, or legal entities with the state share in the authorized fund (capital) in the amount of 50% and more.

Read further: The procedure for applying tax benefits and subsidies to business entities, other measures of their support based on the category of districts and cities.

1.3. Special tax incentives

1.3.1 Tax incentives provided for SEZ

There are particular type of incentives and preferences provided for SEZs. The main regulator is the Law “On Special Economic Zones” No.604 dated 17.02.2020. There are four types of SEZs:

- free economic zones;
- special scientific and technological zones;
- tourist and recreational zones;
- special industrial zones.

Participants of special economic zones are exempted from payment of:

- customs payments (except for value added tax and customs clearance fees) for construction materials that are not produced in the republic and imported in accordance with the established procedure for the implementation of the investment project in accordance with the investment agreement during the construction period;
- customs payments (except for customs clearance fees) for import of technological equipment, analogs of which are not produced in the Republic of Uzbekistan, according to the approved list.

Customs payments (except for customs clearance fees) are not paid when SEZ participants import raw materials, materials, and components used for production and realization of products for export into the territory of the Republic of Uzbekistan.

Participants of special economic zones have the right to receive a deferment on payment of value added tax when importing goods for up to 120 (one hundred and twenty) days.

The amount of value added tax, resulting from the excess of the amount of value added tax, attributable to offset, over the amount of accrued tax, shall be reimbursed to the participant of the free economic zone according to the simplified procedure.

1.3.2 Tax incentives for enterprises with foreign investments

Special customs regime may provide for temporary exemption or reduction of rates of customs payments;

In accordance with paragraph 3 of the Decree of the President of RUz No.4853 dated 26.10.2016 “On additional measures to activate and expand the activity of free economic zones” foreign enterprises in SEZs are exempted from paying:

- land tax,
- profit tax,
- property tax of legal entities,
- customs payments (except for customs clearance fees) for equipment, raw materials, materials, and components imported for their own production needs;

- customs payments for construction materials not produced in the country and imported as part of the implementation of projects, according to the lists.

The benefits provided by paragraph 3 of the Decree of the President of RUz No.4853 dated 26.10.2016 "On additional measures to intensify and expand the activities of free economic zones" are provided for a period of 3 to 10 years depending on the amount of investments made, including the equivalent of:

- from USD 300 thousand to USD 3 million - for a period of 3 years;
- from USD 3 million to USD 5 million - for a period of 5 years;
- from USD 5 million to USD 10 million - for a period of 7 years;
- from USD 10 million and above - for a period of 10 years, with the application of a profit tax rate and a single tax payment for the next 5 years at a rate 50 percent lower than the current rates.

2. Custom fees

2.1. Types of custom fees and incentives

No	Types of custom fees	Rate
1	Customs duty	Depends on goods
2	VAT	12%
3	Excise tax	Depends on goods
5	Fees for custom services	<u>Resolution of the Cabinet of Ministers of RUZ No.700</u>

The list of goods with their TN VED code and the rate of customs fees are provided by the Resolution of the President of Ruz No.3818 dated 29.06.20198.

The exact amount of fees depends on the type and quantity of goods. Integrated Tariff Interactive Service <https://tarif.customs.uz> enables the calculation of the approximate fees amount according to TN VED code of goods.

There is a list of technological equipment exempted from import customs duty and value added tax when imported into the territory of the Republic of Uzbekistan" (reg. No 2436 dated 20.03.2013).

Benefits on payment of value added tax and excise tax in respect of goods transported across the customs border are provided in accordance with the Tax Code of the Republic of Uzbekistan.

Tariff privileges in the form of exemption from customs duty are granted in respect of (Article 279 of the Customs Code of the RU):

- goods imported to the customs territory by legal entities at the expense of loans (credits) granted by international and foreign governmental financial organizations under international agreements of the Republic of Uzbekistan, as well as imported at the expense of grants;
- property imported to the customs territory by enterprises with foreign investments with the share of foreign investments in the authorized fund (authorized capital) not less than 33% (thirty-three percent) for their own production needs, within 2 (two) years from the moment of their state registration;
- property imported to the customs territory for personal needs of foreign investors, citizens of foreign states and stateless persons permanently residing outside the Republic of Uzbekistan and being in the Republic of Uzbekistan in accordance with labor contracts concluded with foreign investors;
- goods imported into the customs territory by foreign legal entities that have made direct investments in the economy of the Republic of Uzbekistan for a total amount equivalent to more than 50 (fifty) million U.S. dollars, provided that the imported goods are products of their own production;
- goods intended for carrying out works under the production sharing agreement and imported to the customs territory in accordance with the project documentation by a foreign investor or other persons participating in the fulfillment of works under the production sharing agreement, as well as products exported from the customs territory by the investor that belong to him in accordance with the production sharing agreement;

- technological equipment imported into the customs territory according to the list approved in compliance with the legislation, as well as components and spare parts, provided that their delivery is stipulated by the terms of the contract (contract, agreement) for the delivery of technological equipment. In case of sale or gratuitous transfer of imported technological equipment for export within 3 (three) years from the date of its importation this privilege is canceled with the restoration of obligations to pay customs duty for the entire period of application of the privilege.

For more information visit: [The-procedure-for-payment-of-certain-customs-duties-has-been-changed-2024](#)

IV.Licenses, permits and notifications

Applicable legal acts:

- 1) [Law of the Republic of Uzbekistan on Licensing, Permitting And Notification Procedures No.701 dated 14.07.2021](#);
- 2) [Law of the Republic of Uzbekistan on Industrial Safety Of Hazardous Industrial Facilities No.57 dated 28.09.2006](#);
- 3) [Resolution of the Cabinet of Ministers of RUz No.80 dated 21.02.2022 On Approval of a Unified Regulation on The Procedure For Licensing Certain Types of Activities through a Special Electronic System](#);
- 4) [Resolution of the Cabinet of Ministers of RUz No.271 dated 10.12.2008 on Additional Measures to Implement The Law Of The Republic Of Uzbekistan "On Industrial Safety Of Hazardous Production Facilities"](#).

In Uzbekistan activities of legal entities are divided into 3 categories:

1. Activities carried out under the general civil law capacity

These are capabilities that are implemented through certain activities. Such general capacity activities belong to all persons, depending on their nature, whether individuals or legal entities. For example, this may include the purchase of office equipment, shares, or the sale of a company's vehicle - operations, actions, activities and inactions that are comparable to the physiology of natural persons. In other words, these capacities are vital or necessary for the existence or functioning of persons. For legal entities, the mere fact of incorporation is sufficient to carry out this category of activities.

There are also special capacities that apply to different groups of persons. However, the purpose of this brief explanation is not to provide details regarding general and special capacities of different groups of persons, so, we will skip this part.

2. Business (Economic) activities

These types of economic activities are specified in the charter of legal entity (including LLC) and are intended mainly for public needs (i.e. notification of tax and statistical organs). Nevertheless, legal entities (including LLCs) may carry on any other types of business activities not specified in their charter and also can change their initially selected types of economic activities. In Uzbekistan the types of economic activities are classified and enlisted in the Classifier (OKED): ([https://nrm.uz/contentf?doc=395907_vvedenie_prednaznachenie_i_osnovnye_principy_postroeniya_oke_d_\(red_2\)&products=1_vse_zakonodatelstvo_uzbekistana](https://nrm.uz/contentf?doc=395907_vvedenie_prednaznachenie_i_osnovnye_principy_postroeniya_oke_d_(red_2)&products=1_vse_zakonodatelstvo_uzbekistana)).

3. Licenses, permits and notifications

These are activities that economic entities can perform only after obtaining administrative permission in the form of:

- 1) License;
- 2) Permit;
- 3) Notification.

All types of the activities that can be performed by economic entities after obtaining an administrative permission in the form of a license, permit, or notification are listed in the Law "On licensing, permitting and notification procedures" No.701 dated 14.07.2021: Available at: ([Licenses, permits and notifications](#)).

3.1. License

License (See Annex 1 of the Law No.701 dated 14.07.2021)

A license is an administrative permission directly tied to a type of business activity, and often corresponding to economic activities classified and listed in the Classifier. A license can be compared to an entrance ticket: without it, the corresponding activity cannot be legally carried out. Engaging in activities without a license is a violation of the law, and a legal entity's operations must be suspended if it lacks the necessary license.

3.1.1. Licensing of hazardous objects

One of the critical licenses that are general to all legal entities that operate in the industrial (manufacturing sector) is licensing of hazardous objects. The main regulator in this field is the Law "On industrial safety of hazardous industrial facilities" No.57 dated 28.09.2006.

3.1.2. Hazardous industrial facilities

Hazardous industrial facilities include enterprises or their workshops, departments, sites or other industrial facilities where:

1) the following dangerous substances are used, produced, processed, formed, stored, transported, or destroyed:

- substances which can create fire- and explosion-hazardous circumstances;
- harmful substances which belong to the Classes I, II or III of dangerous impact onto living organisms (which means extremely dangerous, highly dangerous or moderately dangerous) in accordance with the established standards;
- explosive substances, which, if exposed to a certain external influence, are capable of a very fast self-expanding chemical heat- and gas-generating transformation;
- industrial waste containing substances concentrations dangerous to human health and the environment;

2) an equipment is used which operates under pressure exceeding 0,07 MPa or under a temperature in excess of the boiling temperature of the operating fluid under the standard atmospheric pressure;

3) mounted hoist devices, escalators, cableways or funicular railways are used;

4) liquid alloys of ferrous and non-ferrous metals or alloys based on these liquid alloys are obtained;

5) mining works, mineral resources production and development works or underground works are performed.

3.1.3. Recording and identification of hazardous industrial facilities

Hazardous industrial facilities are subject to obligatory recording with the State Register of Hazardous Industrial Facilities by the special authorized state body on industrial safety (hereinafter referred to as special authorized state body).

Identification of hazardous industrial facilities shall be made in the manner prescribed by the Cabinet of Ministers of the Republic of Uzbekistan: Resolution of the Cabinet of Ministers of RUz No.271 dated 10.12.2008, available at: ([List of hazardous objects](#)).

3.2. Permits and Notifications

License (See Annex 2 and 3 of the Law No.701 dated 14.07.2021)

Permits and notifications are not always integral to a legal entity's core business (economic) activities. Instead, they often accompany business operations without directly representing the business itself (e.g., emissions to atmosphere, water pollutions, or the use of specific equipment like explosives or high-frequency appliances). These permits and notifications serve as authorization to perform individual operations or use certain technologies and equipment (tools), similar to an entrance ticket. Without them, it is impossible to carry out the corresponding actions. Violations may result in penalties or suspensions, but in general, other operations of the legal entity are not necessarily halted.

For more information visit: [Licensing of payment organizations](#)

V. Technical regulation and standardization

Applicable legal acts:

- 1) Law of the Republic of Uzbekistan on Technical Regulation No.819 dated 27.02.2023;
- 2) Resolution of the Cabinet of Ministers of RUZ on Approval Of The Lists Of Conformity Assessment Objects Subject To Mandatory Confirmation Of Conformity In The Republic Of Uzbekistan No.43 dated 30.01.2021;
- 3) Resolution of the Cabinet of Ministers of RUZ on Additional Measures To Simplify The Production Certification Procedure No.318 dated 06.07.2004;
- 4) Order of the Director General of the Uzbek Agency for Standardization, Metrology and Certification "Uzstandard" on Approval of the Certification Rules for Certain Types of Products Subject to Mandatory Certification No.1513 dated 28.09.2005;
- 5) Order of The Director General of the Uzbek Agency for Standardization, Metrology and Certification "Uzstandard" on Approval of the Regulations on the Procedure for Declaring Conformity of Products to Safety Requirements No.1465 dated 06.04.2005.

Products manufactured and imported to the Republic of Uzbekistan must comply with the standards established by law. The main regulator in this field is the Law "On Technical Regulation" No.819 dated 02.07.2023. This Law applies to relations arising during the development, adoption, and application of technical regulations, as well as during the assessment of product conformity.

1. Conformity assessment

A conformity assessment is the process of determining whether the products, production processes, services, management systems, and personnel meet the requirements of regulatory documents in the field of technical regulation.

Mandatory confirmation of conformity established in technical regulations is carried out in the form of:

- 1) declaration of conformity;
- 2) mandatory certification.

The declaration of conformity and the certificate of conformity have equal legal force and are valid throughout the territory of the Republic of Uzbekistan for products placed on the market during the validity period. They remain effective for the product's shelf life or service life.

2. State registration requirement

In addition to declaration and certification, the Cabinet of Ministers of the Republic of Uzbekistan approves a list of high-risk products subject to mandatory state registration. State registration of products is permitted only if the product is safe for consumption (use).

See the list of high-risk products that must be registered here: ([List of high-risk products](#)).

3. Risks related to the technical regulation and standardization

1) Seizure of goods

In the event of non-compliance with requirements stipulated by law, i.e. standardization, state control authorities, within their power, have the right to file a claim in court for a seizure of goods.

2) Imposing of fines

If a violation in the field of technical regulation persists or is not rectified after receiving a warning, financial sanctions in the form of fines are imposed on legal entities.

In cases where the manufacturer, authorized representative, seller, or importer fails to comply with mandatory product requirements established by legislation and technical regulations:

- For a first-time offense - a fine of up to 50% of the value of the non-compliant products sold is imposed.

- If the same violation occurs within one year, a fine of up to 100% of the value of the non-compliant products sold is imposed.

4. Products subject to mandatory conformity assessment

The list of products subject to mandatory certification can be found here ([Mandatory certification](#)) – Resolution of the Cabinet of Ministers of RUz No.43 dated 30.01.2001:

- 1) Appendix 1 - List of products and waste subject to mandatory environmental certification;
- 2) Appendix 2 - List of products controlled by the state veterinary service, which are subject to mandatory conformity assessment;
- 3) Appendix 3 - List of food and agricultural products for which it is necessary to obtain a mandatory sanitary and epidemiological conclusion;
- 4) Appendix 4 - List of products subject to mandatory conformity assessment.

Further, the Resolution of the Cabinet of Ministers No.318 dated 06.07.2004 establishes the procedure for undergoing technical regulation procedures, see here ([Procedure](#)):

- 1) Appendix 1 - Regulation on the procedure for registration and issuance of sanitary and epidemiological, veterinary and phytosanitary conclusions on manufactured and imported products;
- 2) Appendix 2 – General provisions on the procedure for certification of products in accordance with the requirements of standards:

It is important to note that in Uzbekistan, specific types of certification are determined based on the object of certification, as outlined in the Order of the Director General of the Uzbek Agency for Standardization, Metrology, and Certification, reg. No 1458 dated 18.03.2005.

VI. International transactions

Applicable legal acts:

- 1) [Law of the Republic of Uzbekistan on Contracting And Legal Basis Of Activity Of Business Entities No.670-I dated 29.08.1998](#);
- 2) [Regulations on the Procedure Of Monitoring And Control Over Foreign Trade Operations \(Annex to the Decree of the Cabinet of Ministers of RUz No.283 dated 14.05.2020\)](#).

Legislation of Uzbekistan includes special norms for carrying out international transactions, i.e. concluding agreements with foreign companies. The main regulator in this field is Regulations on the procedure of monitoring and control over foreign trade operations ([Annex 1 to the Decree of the Cabinet of Ministers of RUz No.283 dated 14.05.2020](#)).

1. Foreign trade contracts

In Uzbekistan, foreign trade contracts encompass various types, including export contracts, import contracts, barter contracts, centralized export contracts, centralized import contracts, import exchange (fair) contracts, export exchange (fair) contracts, export consignment contracts, export contracts on the territory of the republic, processing contracts (both within and outside the republic), export contracts on the basis of leasing, import contracts on the basis of leasing, and contracts within the territory of the republic.

2. Types of foreign trade contracts

- | | |
|--|--|
| Import contract | 1) a contract concluded between importer and non-resident of the Republic of Uzbekistan for import of goods (works, services); |
| Export contract | 2) economic contract concluded between a resident and a non-resident of the Republic of Uzbekistan for export of goods (works, services), as well as contracts equated to export in accordance with the legislation (except for barter contracts); |
| Export exchange (fair) contract | 3) a contract concluded between exporter and non-resident of the Republic of Uzbekistan for export of goods (works, services) based on |

	the results of exchange (fair) trading;
Contract on the import	4) a contract between a resident and a non-resident of the Republic of Uzbekistan, providing for the purchase of goods for placement under the customs regimes of the customs warehouse, free warehouse, free customs zone, processing on the customs territory and subsequent sale of goods to another non-resident on the basis of an export contract;
Contract on the export	5) a contract between a resident and a non-resident of the Republic of Uzbekistan, providing for the placement of goods purchased on the basis of an import contract under the customs regime of re-export (including export of goods subjected to sufficient processing) with the purpose of their realization;
Processing contract (in the territory of the republic)	6) a contract concluded between an exporter and a non-resident of the Republic of Uzbekistan, providing for processing of goods on the customs territory and their export as processed products;
Contract for processing (outside the Republic)	7) a contract concluded between an importer and a non-resident of the Republic of Uzbekistan, providing for processing of goods of the Republic of Uzbekistan outside the customs territory and subsequent re-importation of their processed products.

3. Accounting for foreign economic transactions in the electronic database of the tax authority

Uzbekistan has a system of registration of foreign economic transactions in the electronic system: Unified Electronic Information System of Foreign Trade Operations (UEISFTO). Originally, the name of the website is referred as Единая Электронная Информационная Система Внешнеторговых Операций (ЕЭИСВО).

It covers export and import transactions but excludes transactions outside the territory of Uzbekistan, including those processed in the customs territory. Any export-import contract is subject to registration in this system. The database is accessible to the servicing bank, as well as tax and customs authorities. Without registering the contract in the UEISFTO, the Uzbek counterparty will not be able to fulfill its obligations under the contract, particularly with respect to payment and customs clearance of goods.

Rules for recording foreign economic transactions in the UEISFTO system:

[...] Economic entities must enter into the UEISFTO:

- information on exports and imports of work performed or services rendered - within 1 (one) day from the date of the act;
- information on documents confirming receipt and delivery of goods under procurement contracts and sales contracts - within 1 (one) day from the day of their conclusion.

4. Types of foreign trade operations stipulated by the legislation of Uzbekistan¹

- foreign trade contracts - export contracts, purchase contracts, import contracts, and sales contracts specified in this paragraph of the Regulation;
- purchase contract - a contract between a resident and a non-resident of the Republic of Uzbekistan for the purchase of goods without their importation into the customs territory or in case of transit;
- contract of sale - a contract between a resident and a non-resident of the Republic of Uzbekistan that provides for the sale of goods purchased under a purchase contract to another non-resident.

5. Simplified categories of foreign trade transactions

Business entities are allowed to export and import goods (works and services) based on invoices, without the need to conclude formal export and import contracts, and can make mutual settlements with foreign

¹ Regulations on the procedure of monitoring and control over foreign trade operations (Annex 1 to the Decree of the Cabinet of Ministers of RUz No. 283 dated 14.05.2020).

partners through commercial banks based on these invoices, provided the transaction amount does not exceed \$5,000 USD per invoice, and without entering information into the UEISFTO.²

As of August 1, 2021, transactions are permitted:

- on processing even if there is no foreign customer in the requirements of the customs regime;
- new types of foreign trade contracts for export, import, realization and purchase, which allow a business entity to purchase raw materials from abroad and sell them to any foreign partner after their processing on the territory of the country without paying customs duties (with monitoring of the linkage of the import contract to the export contract, as well as the linkage of the purchase contract to the realization contract - the amount of funds received under the realization contract should not be less than the amount of funds paid under the purchase contract);
- domestic exporting organizations to purchase products abroad and sell them directly to third countries without importing.

6. Trade operations outside the Republic of Uzbekistan (not on a cross-border basis) and outside its customs territory

The existing economic policy generally restricts economic activities of Uzbek residents outside the territory of Uzbekistan.

The limited list of allowed transactions (such as export and import) implies mandatory delivery of goods, works, and services to the territory of Uzbekistan. Residents with exporter status are allowed to purchase products abroad and sell them directly to third countries without importing them into Uzbekistan.³

7. Deadlines

The deadline for importing goods into the country and registering them under the customs regime "release for free circulation (import)", as well as for performing work or rendering services or refunding money paid for them should not exceed 180 (one hundred and eighty) days from the day of making payments under import contracts. This term does not apply to trade operations of residents carried out outside the Republic of Uzbekistan (not on a transboundary basis) and outside its customs territory.

The State Customs Committee of RUz constantly monitors the determination of the customs value of goods, except for goods and works (services) acquired and disposed of within the framework of foreign trade activities of residents outside the Republic of Uzbekistan (not on a cross-border basis) and outside its customs territory.

8. Customs regime of processing on the customs territory⁴

The customs regime of processing on the customs territory is a regime under which goods are imported to the customs territory with conditional exemption from customs duties and taxes for processing and export in the form of processed products.

The contract under this regime is concluded between the exporter and a non-resident of the Republic of Uzbekistan, providing for the processing of goods on the customs territory of Uzbekistan and their export as processed products outside the customs territory of Uzbekistan.

When importing goods for processing in the customs territory, economic policy measures are not applied.

Operations for processing goods on the customs territory are:

- direct processing or processing of imported goods with change of their original properties and individual indicators, while preserving characteristics that allow identification of the goods in the processed product;
- manufacture of other goods using imported goods, including assembly, disassembly, or reassembly;
- repair of goods, including their restoration and replacement of constituent parts;

²Decree of the President of RUz No.5564 dated 30.10.2018 "On measures for further liberalization of trade and development of competition in commodity markets".

³Decree of the Cabinet of Ministers of RUz No.429 dated 08.07.2021 "On additional measures to further simplify customs administration and procedures".

⁴ Decree of the President of RUz No.115 dated 04.05.2022 "On additional measures to simplify the application of the customs regime "processing on the customs territory".

- the use as raw material of other goods that contribute to or facilitate the production of processed products, in cases where these goods are wholly or partly consumed in the processing. This operation shall be performed simultaneously with one of the other operations specified in this Part.

The exported processed product, residues, and wastes shall be exempt from customs duties and taxes, as well as from application of economic policy measures to them.

Starting from May 1, 2022, a simplified procedure for application of the customs regime “processing on the customs territory” was introduced, according to which:

- a) packaging, repackaging, sorting, cleaning of goods, their fitting to other goods and modernization of equipment are considered as processing operations on the customs territory;
- b) when goods are placed under the customs regime “processing on the customs territory”, mandatory confirmation of compliance of goods with the requirements of normative acts in the field of technical regulation and submission of sanitary and epidemiological conclusion are not required.

For more information visit: [Types-and-regimes-of-simplified-foreign-trade-operations-in-the-republic-of-uzbekistan](#); [Unified-electronic-information-system-of-foreign-trade-operations](#)

VII. Labor regulation

Applicable legal acts:

- 1) [Labor Code of the Republic of Uzbekistan dated 30.04.2024 \(Labor Code of RUz\)](#);
- 2) [Law of the Republic of Uzbekistan on Labor Protection No.410 dated 22.09.2016](#);
- 3) [Law of the Republic of Uzbekistan on the Employment of Population No.642 dated 20.10.2020](#);
- 4) [Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No.971 dated 05.12.2019 “On organizational measures to ensure the implementation and functioning of the interdepartmental hardware and software complex” unified national labor system](#)”.

The main regulator in this field is the Labor Code of RUz, which includes norms on concluding, changing, and terminating employment contracts.

In addition to the Labor Code, the field is regulated by the Law "On Labor Protection" No.410 dated 22.09.2016 and by other laws and by-laws on protecting the rights of the employee.

1. Concluding an employment contract

An employment contract must be concluded in a written form and contain the mandatory terms and conditions specified by the law. Uzbek law provides for two types of contracts: indefinite-term employment contracts and fixed-term employment contracts.

A fixed-term employment contract can be for up to 3(three) years with prolongations, but the total duration of the fixed-term employment cannot exceed 5 (five) years. After 5 years, the contract is deemed to be concluded for an indefinite term, unless a specific exception applies.

Generally, it is prohibited to conclude a fixed-term employment contract without any legal grounds. Uzbek law provides specific cases when (1) the parties are obliged to conclude fixed-term employment contract and (2) the parties are permitted to conclude such contract by mutual agreement.

2. Concluding an employment contract with foreigners

In order to conclude an employment contract with a foreign person, there is a requirement of getting a work permit. The procedure of obtaining such a permit is provided in Appendix 20 of the Resolution of the Cabinet of Ministers of RUz No.86 dated 02.22.2022.

In order to obtain a work permit, it is necessary to have the following documents:

- 1) an electronic copy of the passport of a foreign citizen;
- 2) a draft employment contract confirming the initial agreement with the employer on the desire and conditions for attracting a foreign citizen to the Republic of Uzbekistan, indicating the amount of salary;
- 3) an electronic photograph of a foreign citizen measuring 3x4 cm;
- 4) documents confirming the qualifications of a foreign citizen;

- 5) a copy of the entry visa of citizens of foreign states with a visa regime.

The fee for a service is 1 BCV (340,000 UzSum or 27 USD). This amount may vary depending on the qualifications of the foreign worker. The application review period is 15 (fifteen) days. The service is provided in the electronic system my.gov.uz.

3. Labor conditions

3.1. *Technical regulation*

General requirements for ensuring safety of employees in workplaces are established by the Law "On Labor Protection" No.410 dated 22.09.2016. The law establishes that:

- 1) Employers are obliged to certify workplaces for working conditions.

Certification of workplaces for working conditions is a set of measures designed to assess whether the working conditions, including the severity and intensity of the work, as well as the associated injury risks, comply with the requirements outlined in regulatory documents related to technical regulation and labor protection laws. This process aims to identify harmful or hazardous production factors that may affect the safety and health of employees. The certification ensures that workplaces meet the necessary standards to protect workers from potential risks and harmful factors.

Certification of workplaces for working conditions shall be subject to:

- workplaces where disabled persons are employed;
- workplaces specified in the lists of industries, institutions, jobs, professions, positions, and indicators that give the right to a pension on preferential terms;
- workplaces at hazardous production facilities.

- 2) Employers are obliged to establish a labor protection service in particular cases:

In order to ensure compliance with labor protection requirements and to monitor their implementation, each organization engaged in production activities with 50 (fifty) or more employees shall establish a **labor protection service**. In an organization with 50 or more transport vehicles, a road safety service shall also be established or a position of a road safety specialist shall be introduced.

In an organization with fewer than 50 employees, the decision to establish a labor protection service shall be made by the employer, taking into account the specifics of the organization's activities.

The labor protection service and the road safety service are independent structural divisions of the organization and report directly to its manager.

3.2. *Working Time*

In Uzbekistan, there are three types of working time: (1) normal (standard) working hours; (2) reduced working hours; (3) part-time working hours.

The normal working hours cannot exceed 40 (forty) hours per week in a five-day or six-day working week. Consequently, the duration of daily work (shift) may not exceed:

- in a six-day working week - 7 hours;
- in a five-day working week - 8 hours;

Reduced working hours may be applied to specific categories of workers, considering factors such as age, health, working conditions, or the nature of their job functions. Importantly, reduced working hours do not result in any reduction in wages.

Part-time working hours can be established by mutual agreement between the employer and the employee. This arrangement may involve part-time working days (shifts), part-time working weeks, or splitting the working day into parts.

3.3. *Rest Time*

Types of rest time include breaks during the workday, daily (inter-shift) rest, weekly rest days, public holidays, annual leave (basic and additional), and compensatory rest days provided for work on weekends or holidays. Additional free days, such as for blood donors or parents of children with disabilities, are not considered rest time if granted for specific purposes other than rest.

Employers cannot limit the statutory rest time guaranteed by law through collective agreements, employment contracts, or internal policies. Any provision restricting rest time is invalid.

3.4. Remuneration of labor

Wages include remuneration based on an employee’s qualifications, complexity, volume, quality of work, and working conditions. They also cover compensatory payments for non-standard conditions (e.g., overtime, hazardous environments) and incentive payments (e.g., bonuses and allowances). The minimum wage, set by Uzbekistan, is guaranteed by law. It is a mandatory baseline for all employers, regardless of organizational or ownership structure. As of November 21, 2024, **the monthly minimum wage** is 1 155 000 UzSum, with respect to the exchange rate of the Central Bank of Uzbekistan, is approximately 90 USD.

Wages must be paid at least twice a month, with a maximum interval of 16 (sixteen) days. Upon termination of employment, all amounts owed to an employee must be paid on their last working day or within 3 (three) days of their request. Payments must be made in the national currency and cannot be replaced by goods, promissory notes, or other substitutes. Employers bear financial responsibility for delays in wage payments.

3.5. Medical examinations

The Labor Code of RUz stipulates the mandatory medical examinations for employees. The employer is required to organize preliminary (at the time of employment contract conclusion) and periodic (during employment) mandatory medical examinations for the following individuals:

- Minors under 18;
- Retirees of standard retirement age;
- Persons with disabilities;
- Workers in hazardous conditions, night shifts, or vehicle operations;
- Food industry, trade, and public service workers;
- Educators and staff involved in teaching or childcare.

4. Termination of Employment

The employer may terminate the employment for legitimate reasons, including for a mismatch between the employee’s qualifications and their position, failure to perform job duties, or serious misconduct.

4.1. Notice periods

The employer shall comply with following periods of notice:

- 2 (two) months in advance for termination due to liquidation, changes in staffing, or ownership transfer involving key management.
- 2 (two) weeks in advance for termination due to insufficient qualifications for the job.
- 3 (three) days in advance for termination due to employee misconduct.

The employer may choose to pay compensation instead of giving notice, equal to the employee's average monthly salary for the duration of the notice period.

4.2. Risks of unlawful employment termination

If a court finds the termination of an employment contract unlawful upon the claim of the former employee, the employer shall reinstate the employee and compensate for monetary damage and emotional distress.

For more information: [Labor relations in Uzbekistan](#).

VIII. Liquidation of a legal entity

Scheme of the procedure for voluntary liquidation of business entities and termination of their activity:

Stages	Entities	Actions	Deadlines

Stage 1	Liquidator	Upon the appointment of the liquidator, all documents related to the activity of the commercial organization, along with seals (if any), stamps, and other property of the organization, are transferred to the liquidator by the management bodies of the organization or the individual entity.	Within (three) working days	3
Stage 2	Liquidator	Once the decision for voluntary liquidation has been made, a copy of the decision is submitted to the registering authority.	Within (one) working day	1
Stage 3	Registering authority (Public service center)	Upon receiving the liquidation decision, information about the organization's voluntary liquidation is entered into the state register, and relevant departments and organizations are notified via the System. An announcement of the liquidation is also posted on the official website, accessible to the public.	Within (one) working day	1
Stage 4	Departments and organizations	Starting from the day of receiving the notification of voluntary liquidation, information about the commercial organization available in their databases is submitted via the System.	Within (five) working days	5
Stage 5	Bureau of enforcement	From the date of receiving the notification from the registering authority, the state executor concludes the enforcement proceedings in accordance with the law, and the enforcement document is sent to the liquidator for the liquidation process to proceed.	10 days	(ten)
Stage 6	State tax authorities	Starting from the day of receiving the notification through the System, an audit (inspection) of the commercial organization's financial and economic activity is conducted, except for organizations with an annual turnover of less than one billion sums in the past 3 years, who have declared voluntary liquidation through the issuance of tax consultants' conclusions (excluding high-risk taxpayers).	Within (three) working days	3
Stage 7	Liquidator	Once the interim liquidation balance is approved, all creditors are notified of the acceptance or rejection of their claims, and the amount of accepted claims, with written (or electronic) confirmation of receipt.	Within (five) working days	5
Stage 8	Liquidator	When transferring property to other creditors, the assessed value of the property is offset against the recognized claims, and any difference between the assessed value and the claim amount is obtained from the creditor.	Within (five) working days	5
Stage 9	State tax authorities	After the liquidation balance has been approved, and provided there are no outstanding tax liabilities, a conclusion regarding the absence of tax debts is issued to the liquidator and sent to the registering authority via the System.	Within (one) working day	1

Stage 10	Bureau of enforcement	If no unresolved enforcement documents are pending, a notification regarding the absence of such documents in the Bureau's proceedings is sent to the liquidator, and the registering authority is informed via the System.	Within 3 (three) working days
Stage 11	Liquidator	After receiving the conclusions from the state tax authorities and Bureau of Enforcement, the liquidator contacts the bank where the organization's main account is held to close the account, and a certificate of account closure is obtained from the commercial bank.	Within 1 (one) working day
Stage 12	Liquidator	After the main account is closed, all accounting and other documents of the commercial organization, as required by law, are transferred to the state archive.	Within 3 (three) working days
Stage-13	Registering authority (Public service center)	Upon receiving all necessary documents, they are verified through the System, and a record of the liquidation of the commercial organization is entered into the state register.	Within 2 (two) working days
Stage 14	Registering authority (Public service center)	Once the decision is made, it is issued to the liquidator or sent by mail. In the case that the record is not made in the state register on the basis of rejection, all documents, seals, and stamps are simultaneously returned to the liquidator.	Within 1 (one) working day
Stage 15	Registering authority (Public service center)	After the liquidation record has been entered into the state register, notifications are sent to the state tax authorities and statistical bodies via the System.	Within 3 (three) working days
Stage 16	Registering authority (Public service center)	If all required documents are not submitted within the specified timeframe, the voluntary liquidation process is terminated, and notifications of the termination are sent to the state tax authorities and statistical bodies via the System. Any closed bank accounts are also restored.	Within 1 (one) working day

Archiving of documents:

Upon liquidation, the organization must transfer documents related to personnel and archival documents, whose storage periods have not yet expired, to the archive in an organized manner - based on an agreement between the liquidation committee (or the liquidator) and the archive. The organization independently enters into an agreement with archives located in cities and regions of Uzbekistan - preferably near the organization's location.

Archives and departmental archives provide services within the scope of activities specified in their constituent documents. To determine the value of the documents and prepare them for transfer to the archive, refer to two main documents:

- [Regulation](#) on the provision of services by archives and departmental archives.
- [Regulation](#) on the procedure for compiling, storing, and using archival documents.

For more information visit: [Voluntary liquidation](#).

IX. Dispute resolution

Applicable legal acts:

- 1) Law of the Republic of Uzbekistan on Courts No.703 dated 28.07.2021;
- 2) Law of the Republic of Uzbekistan on Arbitration Courts No.64 dated 16.10.2006;
- 3) Law of the Republic of Uzbekistan on International Commercial Arbitration No.674 dated 16.02.2021;
- 4) Economic Procedure Code of the Republic of Uzbekistan dated 01.04.2018;
- 5) Code of the Republic of Uzbekistan on Administrative Procedure of the Republic of Uzbekistan dated 01.04.2018.

1. National courts

The judicial power in the Republic of Uzbekistan operates independently of the legislative and executive powers, political parties, and other public associations. In accordance with Article 2 of the Law of the Republic of Uzbekistan “On Courts” (hereinafter referred to as “ZRU-703”), the Judicial system in the Republic of Uzbekistan consists of:

- Constitutional Court of the Republic of Uzbekistan;
- Supreme Court of the Republic of Uzbekistan;
- Military courts;
- Courts of the Republic of Karakalpakstan, regional and Tashkent city courts;
- Administrative Court of the Republic of Karakalpakstan, administrative courts of regions and the city of Tashkent;
- interdistrict, district, and city courts for civil cases;
- district and city courts for criminal cases;
- interdistrict, district, and city economic courts;
- interdistrict administrative courts.

The activities of certain courts are regulated by certain Codes accordingly.

Thus, the activities of courts:

- in civil cases it is regulated by the Civil Procedure Code;
- in Economic cases it is regulated by the Economic Procedure Code;
- in criminal cases it is regulated by the Criminal Procedure Code;
- in Administrative Cases are regulated by the Code of Administrative Procedure.

In accordance with Article 18 of the Law No.703, the Supreme Court of the Republic of Uzbekistan is the highest judicial authority in the field of civil, criminal, economic and administrative proceedings.

The Supreme Court of the Republic of Uzbekistan has the right to supervise the judicial activities of lower courts.

2. Resolution of investment dispute

In accordance with Article 63 of the Law “On investments and investment activity”:

I. A dispute related to foreign investments and arising in the course of investment activity of a foreign investor (investment dispute) on the territory of the Republic of Uzbekistan shall be resolved by means of negotiations.

II. In the event that the parties to an investment dispute are unable to reach an agreed settlement of the dispute through negotiation, the investment dispute shall be resolved by mediation.

III. An investment dispute not settled by means of negotiations and mediation shall be resolved by the appropriate court of the Republic of Uzbekistan.

IV. If it is impossible to resolve investment disputes in the order provided above, such dispute may be resolved by means of international arbitration, if an international treaty provides for such procedure.

3. Resolution of disputes related to business activity by national courts of Uzbekistan

Cases concerning the activities of legal entities or cases related to investment disputes are resolved by Economic and Administrative courts of the Republic of Uzbekistan.

3.1. Disputes resolved by Economic courts

In accordance with Article 25 of the Economic Procedure Code:

1) cases on disputes arising in the economic sphere from civil, administrative and other legal relations between legal entities and citizens engaged in entrepreneurial activity without forming a legal entity and having the status of individual entrepreneur acquired in accordance with the procedure established by law, as well as citizens who are parties in cases of corporate disputes (hereinafter - citizens);

2) cases on establishment of facts relevant to the emergence, change or termination of the rights of legal entities and individual entrepreneurs in the economic sphere (hereinafter - establishment of facts of legal significance);

3) insolvency cases;

4) cases related to arbitration proceedings;

4¹) cases related to international arbitration proceedings;

5) cases related to corporate disputes;

5¹) investment dispute cases;

5²) competition cases;

6) cases on recognition and enforcement of decisions of foreign courts and arbitrations.

The court considers cases within its jurisdiction involving legal entities and citizens of Uzbekistan, as well as foreign legal entities, international organizations, foreign nationals, and stateless persons engaged in entrepreneurial activity, unless otherwise provided for by an international treaty to which Uzbekistan is a party.

According to the Economic Procedure Code, investment dispute cases include:

1) disputes related to conclusion, amendment, and termination of investment agreements;

2) disputes on invalidation of investment agreements;

3) disputes related to fulfillment of the investment agreement;

4) disputes related to fulfillment by the investor of tax, customs, social, environmental, and other obligations arising from the investment agreement;

5) disputes related to reclamation of property provided to the investor under the investment agreement or recovery of penalties and (or) losses under such agreement.

3.2. Disputes resolved by Administrative courts

The administrative court has jurisdiction over cases concerning the protection of violated or contested rights, freedoms and legitimate interests of citizens and legal entities arising out of administrative and other public legal relations, with the exception of cases within the jurisdiction of the Constitutional Court, civil courts, economic courts and military courts.

The administrative court considers cases within its jurisdiction involving citizens, legal entities and administrative bodies, as well as foreign legal entities, international organizations, foreign nationals, and stateless persons operating in the territory of Uzbekistan, unless otherwise provided for by an international treaty to which Uzbekistan is a party.

According to the Code of Administrative Procedure, investment dispute cases include:

Investment disputes include cases between investors and administrative bodies, self-government bodies of citizens on decisions, actions (inaction) of their officials related to compliance with the terms of the investment agreement.

4. Arbitration

In accordance with the Decree of the President of the Republic of Uzbekistan No.3619 dated 14.06.2005, which aimed to improve the legal protection system for business entities, the Law "On Arbitration Courts" was adopted (16.10.2006). This law regulates the procedures for the formation and operation of arbitration courts, the referral of disputes to these courts, the form and content of the arbitration agreement, the formation of the court and its expenses, arbitration proceedings, and the enforcement of decisions made by the arbitration courts.

Arbitration courts resolve disputes arising from civil legal relations, including economic disputes arising between business entities.

Arbitration courts do not resolve disputes arising from administrative, family, and labor relations, as well as other disputes provided for by law in accordance with Article 9.

Before the start of the arbitration proceedings, the presiding judge of the arbitration tribunal (in case of a collegial consideration of a dispute) or the arbitrator (in case of a sole consideration of a dispute) sends a copy of the arbitration agreement and a written notification of the formation of the temporary arbitration tribunal to the judicial authority at the location of the temporary arbitration tribunal.

According to Article 11 of the Law, a dispute may be submitted to arbitration if there is an arbitration agreement.

In form, the arbitration agreement is concluded in writing, and can also be drawn up as a clause in the contract, which is an integral part of the contract, or in the form of a separate agreement.

An arbitration agreement is considered to be concluded in writing if it is contained in a document signed by the parties to the arbitration agreement, or is concluded through an exchange of letters or messages using electronic or other means of communication that ensure the recording of such an agreement.

If the above requirements are not met, the arbitration agreement is considered invalid.

The arbitration agreement must contain a provision that all or certain disputes that have arisen or may arise between the parties to the arbitration agreement are subject to consideration in the arbitration court, as well as the name of the permanent arbitration court if the dispute is referred to this arbitration court. If these requirements are not met, the arbitration agreement is considered invalid.

If the name of the arbitration tribunal is indicated incorrectly or incompletely, the court may refuse to accept the application for proceedings.

At the request of the parties to the arbitration proceedings, the arbitration court makes a decision to approve the settlement agreement, if the settlement agreement does not contradict the law and does not violate the rights and legitimate interests of other persons. The contents of the settlement agreement are set out in the arbitration court decision.

In accordance with Article 46 of the Law "On Arbitration Courts", an arbitration award may be challenged by a party to the arbitration proceedings by filing an application to set aside the arbitration award with the competent court within thirty days from the date of its receipt.

Thus, the basic concepts of the Law indicate that the competent court is an economic court or a civil court in accordance with the jurisdiction established by the Economic Procedure Code or the Civil Procedure Code.

5. Correlation between arbitration and national courts

To sum up, national courts do not interfere in the activities of arbitration courts, except in cases provided for by the law. Also, national courts have the right to challenge court decisions of arbitration courts and international commercial arbitration courts if a party in the proceedings files an application to challenge the decision.

Judicial protection in the form of arbitration proceedings possesses significant features. Arbitration courts are not state bodies and are not part of the state justice system. They are not organizations in the conventional sense and do not constitute a formal system. In contrast, international commercial

arbitration courts can be both state and non-state non-profit organizations. Unlike state courts, arbitration courts are not subject to state registration; they only need to notify the relevant justice authorities about their formations.

Thus, arbitration courts (both permanent and temporary) are special jurisdictional bodies for the protection of violated or disputed property rights of legal entities and individuals, whose competence is based on the will of the parties that created them. At the same time, this competence is limited by law - in accordance with Article 9 of the Law "On Arbitration Courts", they can only consider disputes arising from civil legal relations. It should be recognized that, within the meaning of the law, we are talking about private law, mainly contractual disputes between entrepreneurs that do not affect public law relations.

For more information visit:

[Correlation of national courts and international arbitral tribunals;](#)

[Judicial system in Uzbekistan;](#)

[Public policy of Uzbekistan.](#)