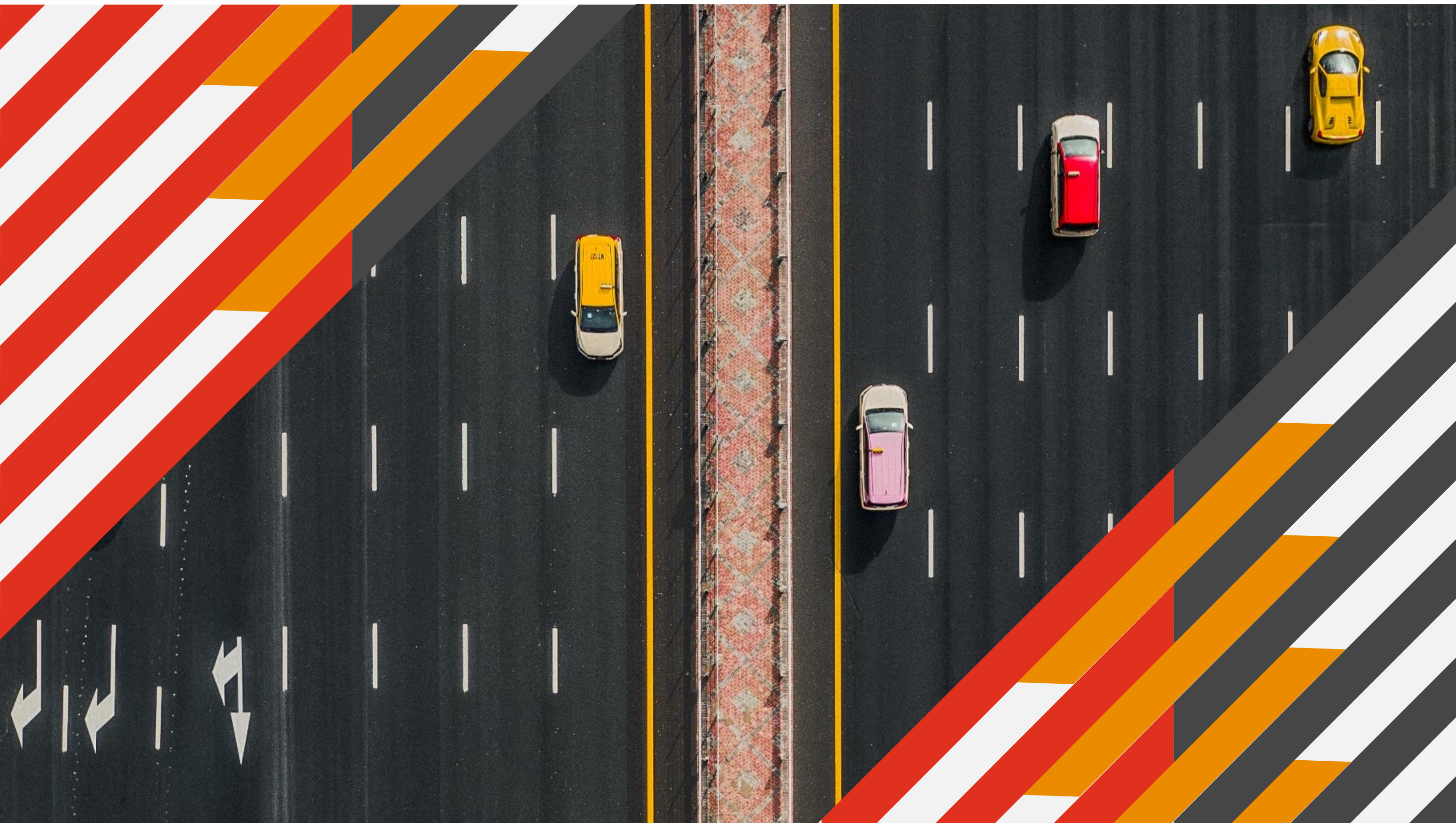
Ministry of Investment,
Industry and Trade
of the Republic of Uzbekistan

Invest Uzbekistan

pwc

Investment guide Uzbekistan

June 2025



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1. Country snapshot

1.1 Invest in Uzbekistan

Uzbekistan, strategically positioned at the centre of the Eurasian continent, functions as a key transit and economic hub in Central Asia. Spanning approximately 448,924 square kilometres and with a population exceeding 37.7 million—comprising over 130 ethnic groups—the country's geographic and demographic characteristics offer a unique platform for fostering regional connectivity and cross-border trade.

In recent years, the government has advanced a broad reform agenda aimed at improving the investment climate. Notable measures include the liberalization of trade and foreign exchange regimes, reductions in key tax rates—such as value-added tax (VAT), corporate income tax, and property tax—from 20 percent to 12 percent, and the establishment of the Foreign Investors Council to institutionalize dialogue with the private sector. Complementary administrative reforms have streamlined business processes, including the expansion of the "Single Window" mechanism, the elimination of over 500 government functions, and a reduction in customs duties and excise taxes on a wide range of imported goods.

Uzbekistan remains one of the most dynamic economies in the region, registering real GDP growth of 6.5 percent in 2024. The country benefits from favourable demographics, with more than 60 percent of its population under the age of 30 and a labour force totalling approximately 23.2 million. Foreign trade turnover reached $66 billion in 2024, marking a 3.8 percent increase year-on-year.

The economy is underpinned by substantial endowments of natural resources, including significant reserves of natural gas, gold, uranium, copper, and other strategic minerals, which contribute to external stability and long-term investment potential. Uzbekistan also offers a young and increasingly skilled workforce, supported by targeted tax and customs incentives aimed at promoting cost-effective investment and enhancing the country's trade competitiveness.

Potential point of sustained growth

Robust economic growth

5%
Average GDP growth rate till 2030

With private investments and reforms to improve resource efficiency expected to drive growth, the medium- and ling0term outlook is positive

High population growth rates

41m
Population (2030)

Demand in various sectors of the economy is being driven by a high rate of population growth of 2% per annum

Growing purchasing power of population

6%
Average real income growth rate by 2030

The population's real incomes is expected to grow rapidly, with GDP per capital to reach ≈ $4,000 in 2030

Political commitment to reform national economy

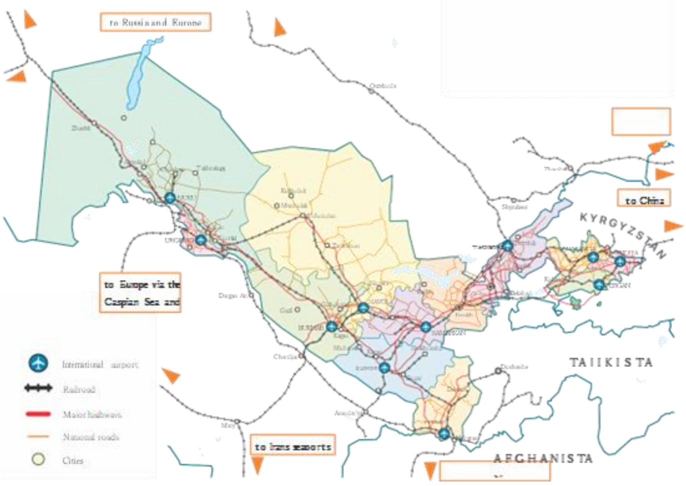
$250bn
Total Investments by '30

The NDA 2022-2026 gives a greater role to the private sector as a key driver of the economy projecting a 6% increase in investment by 32030

Economic liberalization and market-oriented reforms

85%
Share of private sector In GDP by 2030

Reduction of state involvement in the economy and expansion of conditions for private sector development



Railways and Roads: Uzbekistan continues to strengthen its role as a strategic transport and logistics hub in Central Asia. As of 2024, the country operates a 7,400-kilometer railway network—2,400 kilometres of which are electrified—transporting nearly 74 million tons of cargo annually and serving as a backbone of regional freight movement. High-speed passenger trains, such as the Afrosiyob, improve internal mobility by linking major urban centres. A major milestone was reached with the launch of the 532-kilometer China–Kyrgyzstan–Uzbekistan railway. Once completed, the line is expected to provide a shorter and more efficient trade route between Central Asia and China, with an annual capacity of up to 15 million tons of cargo by 2030.

The road network spans 209,500 kilometres, including 42,500 kilometres of main roads, with 1.4 billion tons of goods transported by road in 2024. Uzbekistan accesses global markets through key trade corridors: eastward through Kazakhstan to China and Russia; westward via the Caspian and Caucasus to Europe; and southward through Turkmenistan and Afghanistan to ports in Iran and Pakistan. Strategic road projects, including the Tashkent–Andijan and Samarkand corridors, are expected to further boost infrastructure-driven growth and regional integration.

Airports: Uzbekistan's air transport sector is undergoing significant expansion, reinforcing the country's commitment to enhancing connectivity and supporting economic growth. As of 2024, the nation operated 11 airports, collectively serving 13.5 million passengers and handling over 14,400 tons of cargo. Tashkent International Airport remains the primary aviation hub, with a new cargo terminal under development to accommodate increasing trade volumes. Samarkand International Airport has augmented its capacity through the inauguration of a new terminal, positioning itself as a pivotal gateway for international tourism.

In a strategic move to modernize regional air infrastructure, the Government of Uzbekistan has initiated a public-private partnership (PPP) project for the modernization and operation of Urgench International Airport.

These advancements in air transport infrastructure underscore Uzbekistan's strategic efforts to enhance multimodal connectivity, stimulate regional development, and integrate more deeply into global trade and tourism networks.

Warehouses: Uzbekistan's warehouse infrastructure plays a critical role in supporting the country's growing trade and logistics sectors.

The market is broadly segmented into four primary categories: multimodal logistics centres (MLCs), company-owned warehouses, distributors, and small warehouses—each serving distinct operational functions.

MLCs account for approximately 37% of total warehousing capacity and provide integrated services such as customs clearance, international transportation, and value-added logistics.

These facilities are strategically located along major transport corridors, enhancing multimodal connectivity.

Company-owned warehouses represent 29% of the market and are designed to meet internal supply chain requirements of large enterprises, including both retail and wholesale distribution.

Distributors—primarily servicing major players in the fast-moving consumer goods (FMCG), electronics, and automotive sectors—make up 11% of the market. Meanwhile, small warehouses account for 9%, catering to both public and private sector needs, typically offering Class B storage space suitable for general use.

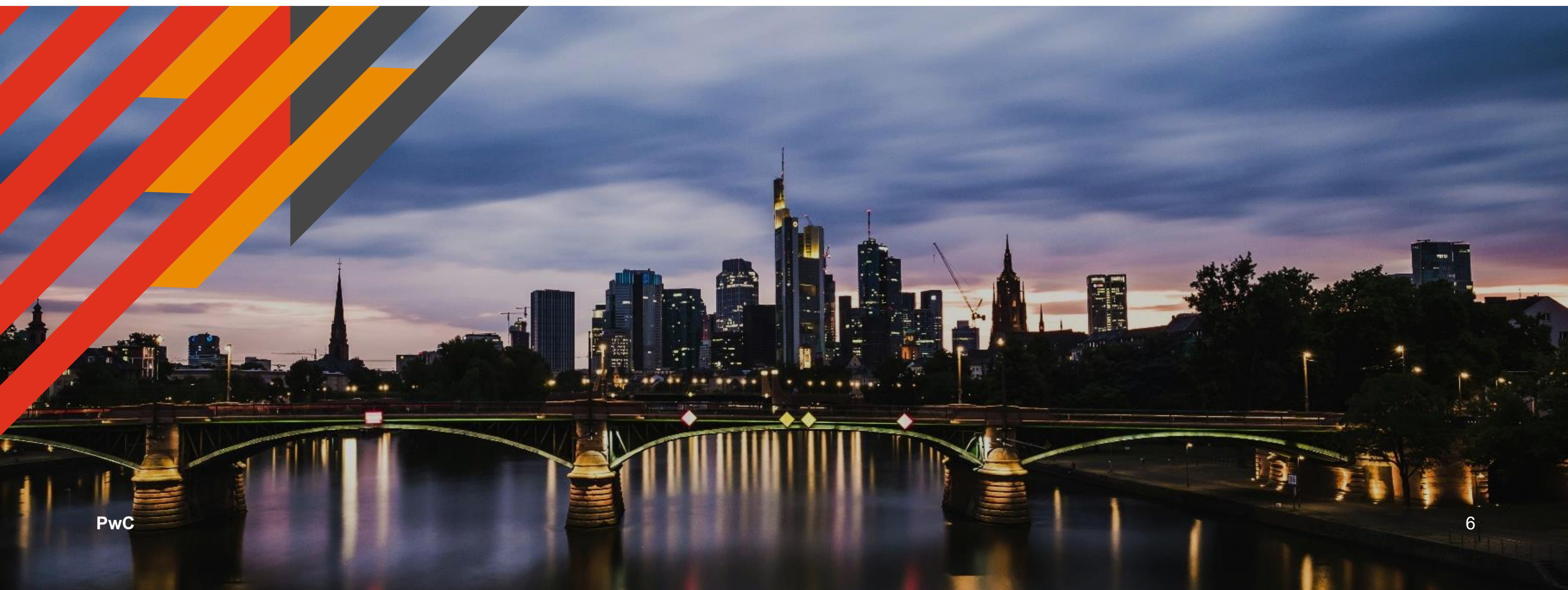
As of 2023, total warehouse space in Uzbekistan stood at approximately 970,000 square meters, with the bulk of capacity concentrated in MLCs and company-owned facilities. The continued development of this infrastructure is essential for improving supply chain efficiency, reducing logistics costs, and strengthening Uzbekistan's competitiveness as a regional trade hub.

Existing foreign investing companies

The Abu Dhabi–Uzbekistan Investment Initiative represents a strategic economic partnership between the United Arab Emirates and Uzbekistan, designed to deepen bilateral cooperation and mobilize capital for priority sectors. The initiative emphasizes joint investment in infrastructure, renewable energy, agriculture, and technology, with the aim of accelerating Uzbekistan's modernization agenda and supporting its broader reform program. By leveraging Abu Dhabi's financial and technical expertise through joint ventures and structured agreements, the partnership seeks to advance large-scale, high-impact projects that contribute to economic diversification, foster innovation, and strengthen Uzbekistan's integration into global investment networks.

The Azerbaijan–Uzbekistan Investment Company (AUIC) was established with an initial sovereign capital allocation of USD 500 million, following a high-level bilateral agreement between the presidents of the two countries. The company's core mandate is to promote private sector–led growth by providing equity investments in commercially viable enterprises that contribute to the economic development of Uzbekistan, Azerbaijan, or both. Operating on a non-controlling equity basis, AUIC seeks to foster regional integration, enhance investment flows, and support the diversification of both economies through strategic, cross-border partnerships.

The Uzbek–Oman Investment Company (UzOman) is a bilateral investment vehicle established to strengthen economic cooperation and catalyse joint development initiatives between Uzbekistan and the Sultanate of Oman. This strategic partnership aims to mobilize capital into high-priority sectors such as agriculture, energy, infrastructure, and manufacturing. By fostering a business-friendly environment and leveraging the comparative advantages of both countries, UzOman plays a critical role in attracting foreign direct investment and expanding trade and investment linkages. The company serves as a key platform for advancing sustainable economic growth and diversifying Uzbekistan's investment portfolio.



1.1 Invest in Uzbekistan

Uzbekistan’s capital markets have seen increased activity with recent international bond placements by major state-owned enterprises, reflecting growing investor interest and confidence in the country’s economic fundamentals.

Uzbekneftegaz, the national oil and gas company, successfully issued a USD 850 million five-year Eurobond at a yield of 8.75% (issued at par). The transaction was coordinated by JPMorgan as global coordinator and bookrunner, with Abu Dhabi Commercial Bank, Deutsche Bank, MUFG, and Standard Chartered acting as joint bookrunners, and SQB as co-manager. The bond is rated B+ by S&P Global Ratings and BB- by Fitch Ratings.

Navoi Mining and Metallurgical Complex, one of the world’s largest gold producers, completed a USD 500 million five-year Eurobond issuance with a yield of 6.75%. The offering was met with strong investor demand, attracting over USD 2.3 billion in orders. Pricing was initially guided at 7.375% before being tightened to 7%, and ultimately finalized at 6.75%. Citi, JPMorgan, MUFG, and Société Générale served as joint lead managers, with Finasia Capital as consultant. The issuer holds BB- ratings from both S&P and Fitch.

These issuances mark a continued deepening of Uzbekistan’s presence in international capital markets and support broader efforts to diversify financing sources for key state-owned enterprises.

1.2 Progress of reforms

Key reforms initiated (2017-2024)

2017

Action strategy: Establishing political, economic and social guidelines and priorities in the national development agenda

Judicial and legal reforms Reliably protecting citizen’s rights and freedoms, increasing the level of access to justice

Currency liberalization: Enabling the free purchase and sale of foreign currency for the funding of current international operations

Civic engagement: Encouraging citizen participation in ad- dressing the quality of government services for firms and citizens, enhancing public accountability, and strengthening transparency

2018

Price liberalization: Removing price regulations for basic foods and utilities, and restoring the efficient delivery of basic commodities, heating and electricity

Court system: Establishing the Uzbekistan Supreme Court and Judicial Council, along with economic courts to protect the legitimate interests of entrepreneurs

Customs reforms: Removing artificial restrictions on foreign trade and substantially reducing import tariffs for nearly 8,000 items

National sustainable development strategy: Developing and implementing a holistic national sustainable development agenda to be fulfilled by 2030

2019

Tax reforms: Implementing a new tax code to substantially reduce the tax burden on the economy

Investments: Law “On Investments and Investment Activities” was excepted

Investors Council: Foreign Investors Council under the President of Uzbekistan was established

Public-private partnerships: Introducing a PPP law and implementing PPP projects

2020

Digitalization: Implementing measures for the widespread development of a digital economy, including introducing modern information and communication technologies in all sectors of the national economy

Financial and banking sector reforms: Implementing a wide array of measures to reform the financial and banking sectors

Regulation functions: Abolished 500 business regulation functions of the Government

SEZ: Law “On Special Economic Zones” was excepted

2021

Capital markets: Developing capital markets in Uzbekistan and achieving key performance indicators such as overall market capitalization and free-floating shares

State enterprise reforms: Developing a strategy for the financial recovery of SoEs, increasing operational efficiency, as well as implementing a modern corporate governance system

Arbitration: Law on International Commercial Arbitration was excepted

2022

Intellectual Property: Law “On Development of Intellectual Property Sector” was excepted

Reducing Bureaucracy and Enhancing Services: Around 30 licenses and permits were abolished, over 70 public services simplified, and state bodies no longer require 60+ types of documents, easing public access

Digital Governance: Over 4 million users now access more than 130 government databases through the 'E-Government' system, with nearly 350 services available online via the Unified Portal

Insolvency Law: A new Insolvency Law was introduced to help restructure viable distressed enterprises, protect jobs and capital, and promote market-based regulation

1.2 Progress of reforms

Key reforms initiated (2017-2024)

2023	2024
Restructuring of the Cabinet of Ministers in New Uzbekistan: As part of the first stage of administrative reforms in New Uzbekistan, the Cabinet of Ministers was reorganized to include 69 independent executive bodies, consisting of 21 ministries, 12 committees, 25 agencies, and 11 inspectorates	**Preferences for Foreign Investors:** Decree of the Cabinet of Ministers "On Formation of Unified Register of Preferences for Foreign Investors" was a
Constitution 2023: The constitutional law "On the Constitution of the Republic of Uzbekistan", adopted by referendum on 30 April	**Compensation for Bank Loan Interest for Non-State Schools:** Compensation is provided to cover part of the interest rate on bank loans of up to 20 billion soums allocated for the establishment of non-state general secondary educational institutions.
SEZs regulation: Law "On State Services Regulation in SEZs for Investors" was excepted	**Establishment of International Centre for Digital Technologies:** Law "On Establishment of International Centre for Digital Technologies" was excepted
	National sustainable development strategy: Developing and implementing a holistic national sustainable development agenda to be fulfilled by 2030

1.2 Key Investment Components of Uzbekistan's Strategy 2030

Economic Diversification

Shift from reliance on agriculture and raw materials toward growth in technology, manufacturing and services, creating new investment opportunities

Privatisation

Ongoing privatisation and marked-based restructuring of SOEs opens formerly state-controlles sectors and boosts competitiveness

Infrastructure

Focus on modernizing transport, energy and utilities offers long-term investment potential

Green Economy

Emphasis on renewables and energy efficiency creates opportunities in sustainable technologies and projects

Regulatory Reforms

Improvements in business regulations and investor protections enhance the investment climate

Global Market Integration

Efforts to join trade organizations expand trade and attract foreign investors

Innovation & Technology

Support for tech, R&D and education creates investment prospects in startups and talent development

Human Capital

Investments in education and healthcare lead to a more productive workforce, indirectly benefiting investors

Legal Reforms

Stronger governance and anti-corruption efforts ensure a more secure environment for investments

1.3 Sustainable investment and green economy growth

Sustainable development agenda

Uzbekistan is making meaningful progress in advancing its sustainable development agenda and is increasingly positioning itself as a compelling destination for sustainability-focused investment. The Government of Uzbekistan is actively exploring green financing instruments to mobilize private sector participation in climate and environmental initiatives. These efforts are being pursued in close cooperation with international financial institutions, including the World Bank, the Asian Development Bank, and UNDP.

Since endorsing the 17 Sustainable Development Goals (SDGs) at the 2015 United Nations Summit, Uzbekistan has taken concrete steps to align its national development priorities with the global agenda. In 2018, the government adopted a resolution establishing 16 national sustainable development goals to be achieved by 2030, with a particular emphasis on transitioning to a green economy.

Strategic priorities include reducing greenhouse gas emissions by 35% per unit of GDP compared to 2010 levels and scaling up renewable energy capacity to 15 GW. Under current projections, renewables are expected to account for over 30% of the country's electricity generation.

In 2022, Uzbekistan further reinforced its commitment by mainstreaming the SDGs into national development programs, laying the foundation for their gradual institutionalization within the broader state planning framework. These efforts reflect the country's ambition to foster low-carbon, inclusive, and resilient growth.

In 2023, the Government of Uzbekistan adopted its **National Green Taxonomy**, establishing a comprehensive classification framework to identify sectors and activities that align with environmental sustainability objectives.

This framework is designed to guide investment flows toward projects that support environmental protection, resource efficiency, and decarbonization.

The taxonomy is expected to play a central role in mobilizing climate-aligned financing and in prioritizing investments that contribute to the country's low-carbon transition.

Uzbekistan's commitment to sustainability was further underscored by the designation of 2025 as **the "Year of Environmental Protection and Green Economy."** This national initiative highlights Uzbekistan's long-term vision for sustainable development and its intent to position itself as a regional leader in green growth—offering compelling opportunities for investors guided by environmental, social, and governance (ESG) principles.

The 2025 State Program outlines key priorities for advancing green transformation, including:

- Scaling sustainable finance to accelerate the adoption of green economy principles and increase resilience to climate change;
- Developing a long-term decarbonization strategy to achieve carbon neutrality in line with the Paris Agreement;
- Expanding the share of renewable energy in the national energy mix;
- Reducing the economy's carbon intensity by promoting the widespread adoption of modern, energy-efficient technologies.

These initiatives signal a proactive shift toward integrating climate considerations across economic planning and investment frameworks.

2015

At the UN summit in Uzbekistan, among other changes, s a rule, 17 elevated development

2018

The Government of Uzbekistan adopted the Resolution “On measures to implement the National goals and objectives in the field of sustainable development for the period up to 2030”, which established 16 national goals in the field ofsustainable development

2019

The Government of Uzbekistan adopted the Resolution “On approval of the strategy for the transition of the Republic of Uzbekistan to a “green” economy for the period 2019-2030”

2022

A new Resolution “On additional measures to accelerate the implementation of national goals and objectives in the field of sustainable development for the period up to 2030” was adopted. The document also provides for the gradual integration of SDGs into state development programs and budgets of Uzbekistan

2023

The Resolution “On the approval of the National “green” taxonomy” was adopted, which provides for the definition of categories of the main areas of this sphere and the assessment of compliance criteria based on the classification of “green” types of activity.

2024

The President of Uzbekistan declared 2025 the Year of Environmental Protection* and the “green” economy. Also, according to the decree of the President on the program for the implementation of the “Uzbekistan 2030” strategy, from July 1, 2024, it was instructed to introduce the practice of ESG reporting for state-owned companies

The active inclusion of the sustainable development agenda by the Government of Uzbekistan in state regulation of the most important sectors of the economy emphasizes that the goals and targets of the SDGs fully coincide with the priorities and objectives of Uzbekistan

A number of goals and measures in the field of sustainable development until 2030, approved in decrees and resolutions of the Government of Uzbekistan:

Reduction of specific greenhouse gas emissions per unit of GDP by 35% by 2030 (from 2010 levels)

Increasing the production capacity of renewable energy sources to 15 GW and bringing their share in the total volume of electricity production to more than 30%

Implementation of a system of environmental insurance and environmental audit
Ensuring the transition to international standards (UN economic Commission for Europe, EU and others) in priority areas that determine the quality of the environment

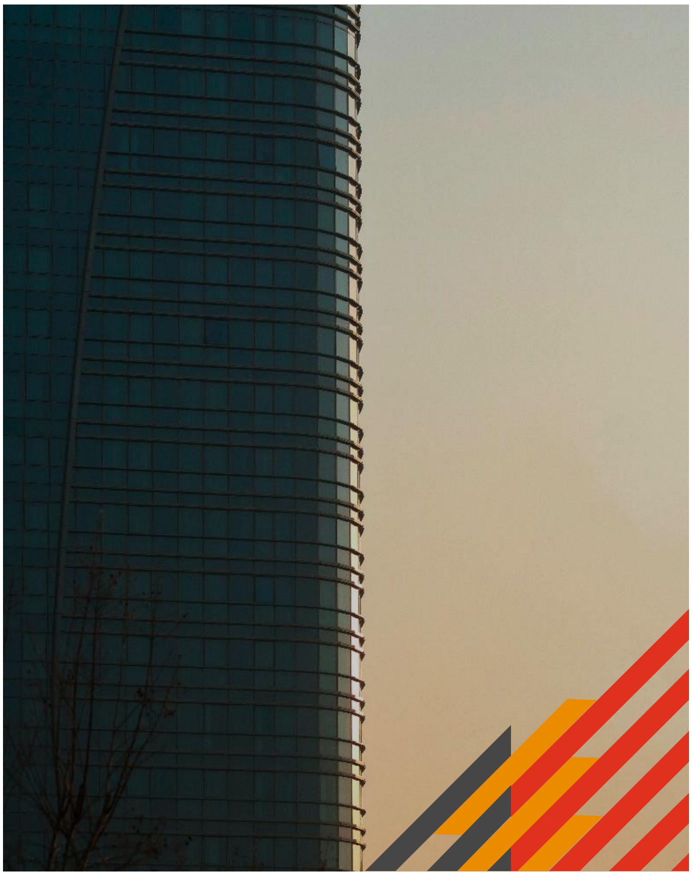
1.4 Macroeconomic growth and stability

Uzbekistan's economic outlook remains broadly favourable as of 2024, supported by the steady implementation of successive national development strategies and a deepening commitment to structural transformation. The 2017–2021 Development Strategy laid a solid foundation for liberalization and governance reform, while the current 2022–2026 Strategy emphasizes private sector development, digitalization, and infrastructure modernization.

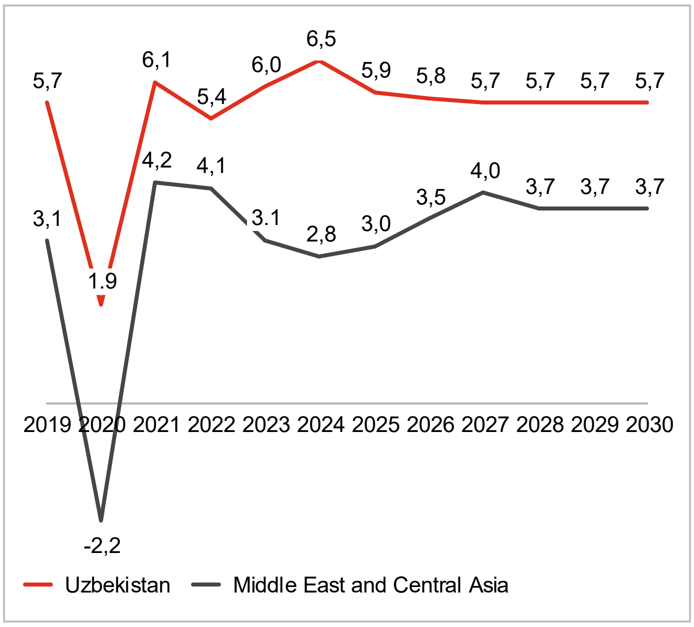
Building on this momentum, the recently adopted Strategy 2030 sets a long-term vision for inclusive and sustainable growth by accelerating the transition toward a market-based economy. A key objective is to reduce the footprint of the state and expand opportunities for private capital to play a leading role in economic development.

Uzbekistan continues its shift from a state-led growth model to one where private enterprise serves as the principal driver of productivity and job creation. Ongoing reforms aimed at improving the investment climate—including regulatory simplification, enhanced transparency, and institutional strengthening—have markedly improved the business environment for both domestic and foreign investors.

Macroeconomic fundamentals remain sound. As of April 1, 2025, public debt stood at USD 42.4 billion, reflecting a 20% year-on-year increase, but still within sustainable thresholds.



GDP growth rate, %



STANDARD & POOR'S **BB- (positive)**

FitchRatings **BB- (stable)**

MOODY'S **Ba3 (stable)**

Meanwhile, foreign exchange reserves reached a record high of USD 47.85 billion in March 2025, bolstering external resilience and policy buffers in the face of global uncertainties.

S&P Global Ratings has reaffirmed Uzbekistan's long-term sovereign credit rating at "BB-" and upgraded the outlook from "stable to "positive". This decision is due to increased fiscal spending from rising subsidies and gas imports. By 2027, tariffs are expected to fully cover energy production cost. A reduction in subsidies, along with favourable gold prices and GDP growth, is expected to lower the budget deficit to about 3% from 2025 to 2028, down from 4.9% in 2023 and 3.3% in 2024.

Key macroeconomic indicators

Indicators	2020	2021	2022	2023	2024
GDP per capita (Current USD)	1 759.31	1 993.42	2 255.15	2 496.1	3 093
GDP, bn USD	60.22	69.60	80.39	90.9	115
Agriculture, %	26.8	26.5	24.9	24.3	25.0
Industry, %	26.8	27.3	27.0	26.1	27.0
Services, %	39.7	39.6	41.6	43.4	47
Inflation (annual average consumer prices), %	12.87	10.85	11.45	8.77	9.8
Central Bank average policy rate %	14	14	16.5	15	14
Total reserves (including gold), bln USD	34.9	35.38	35.77	34.56	47.85
Current Account Balance, % of GDP	-5.0	-7.0	-0.8	-8.6	-4.5
Unemployment rate, %	10.5	9.6	11.4	8.77	5.8

1.5 Human Capital

Uzbekistan, the most populous country in Central Asia with 37.7 million inhabitants and an annual population growth rate approaching 2%, benefits from a favourable demographic profile. The population is gender-balanced and largely comprised of working-age individuals and youth, supported by high literacy and graduation rates.

Substantial education reforms undertaken between 2017 and 2024 have yielded measurable improvements in human capital development. Preschool enrolment doubled from 25% to nearly 50%, while higher education participation increased significantly—from 9% to 25%. Near-universal access to primary and secondary education further underpins the country's long-term productivity potential.

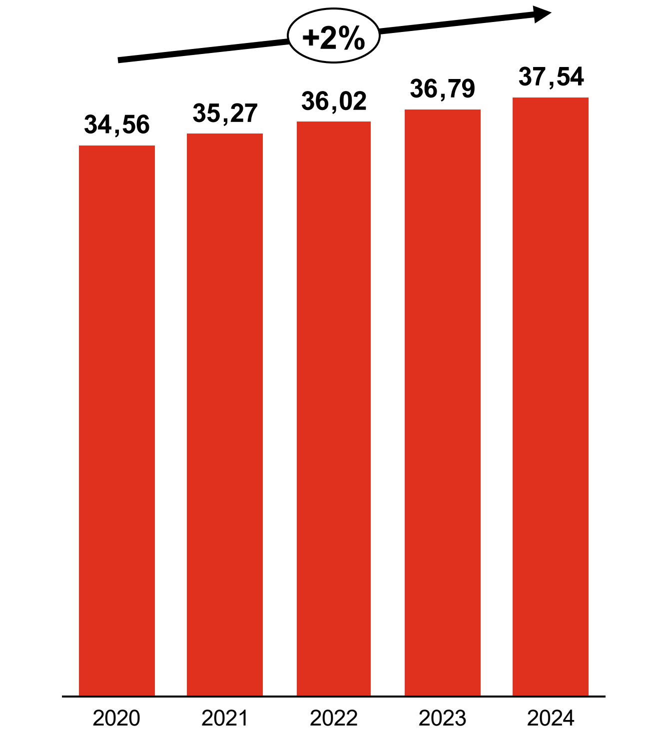
Uzbekistan's human capital development agenda reflects a comprehensive and forward-looking strategy aimed at enhancing the country's socio-economic resilience and long-term growth potential.

Key policy areas include expanding access to quality education and vocational training, improving healthcare outcomes, advancing gender equality, and strengthening social protection systems. These efforts are designed to foster a more inclusive and productive labour force and reduce inequality.

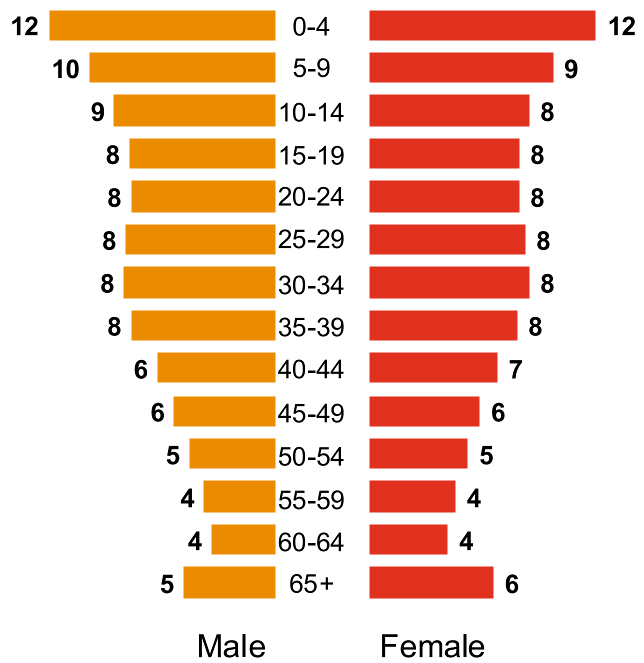
Uzbekistan has now entered the early stages of a demographic dividend—a period in which the share of the working-age population exceeds that of dependents.

This demographic shift presents a critical window of opportunity to accelerate economic growth through higher labour force participation and increased savings. Realizing this potential will require sustained investment in human capital, with a particular focus on improving educational outcomes, healthcare delivery, and nutrition to enhance the quality and productivity of the workforce.

Population of Uzbekistan, million people



Population pyramid, %



1.6 International trade

Since 2017, Uzbekistan has made notable progress in liberalizing its trade regime, marked by the reduction of non-tariff barriers and the simplification of customs procedures. These reforms have facilitated greater integration into the global trading system, underpinned by the establishment of most-favoured-nation (MFN) arrangements with 47 countries and the conclusion of 57 bilateral investment treaties.

International trade continues to serve as a critical lever for Uzbekistan's economic diversification and external engagement, particularly in relation to the Eurasian Economic Union (EAEU). As an observer since 2020, Uzbekistan has emerged as the leading trading partner among non-member CIS countries, reflecting deepening economic ties with EAEU member states. In 2024, trade turnover with the bloc reached USD 17.5 billion, representing a 7.3 percent year-on-year increase. This underscores the growing role of regional trade in supporting Uzbekistan's export expansion and broader economic reform agenda.

In 2024, Uzbekistan's foreign trade turnover reached USD 65.9 billion, marking a 3.8 percent increase over the previous year. Exports grew by 8.4 percent to USD 26.9 billion, while imports rose modestly by 0.8 percent to USD 38.9 billion, resulting in a trade deficit of approximately USD 12.04 billion.

To enhance external sector performance and reduce structural vulnerabilities, Uzbekistan is pursuing an export diversification strategy aimed at lowering trade barriers and expanding into new markets and product categories.

Central to this effort is the gradual transition from primary commodity exports toward higher-value, technologically sophisticated goods. This strategic shift is intended to strengthen Uzbekistan's global trade integration, support more resilient economic growth, and align with emerging trends in global value chains.

Uzbekistan's export profile remains relatively concentrated, with five major product groups—precious metals, services, cotton, mineral fuels and oils, and copper and related products—accounting for approximately 70 percent of total exports in 2024.

Within the services category, exports remain dominated by transport, travel, and ICT-related services, which collectively represented nearly 90 percent of total service exports during the year.

While the export structure continues to exhibit a strong reliance on primary commodities, there has been a gradual shift toward greater value addition. This is reflected in the increasing share of processed and semi-processed goods, indicating initial progress in the country's broader objective to diversify exports and integrate into higher segments of global value chains

Uzbekistan's export portfolio is gradually becoming more diversified, with rising contributions from industrial input goods, services, food and beverages, and consumer products. This structural shift reflects the country's strategic efforts to enhance economic resilience and boost export revenues by moving up the value chain and reducing reliance on raw material exports.

Although the share of fuel and lubricants in total exports has declined, exports of services, food and beverages, consumer goods, and transport equipment have more than doubled. Nonetheless, industrial input materials continue to comprise the dominant share of the export structure, underscoring the importance of ongoing reforms to further diversify and modernize the country's export base.

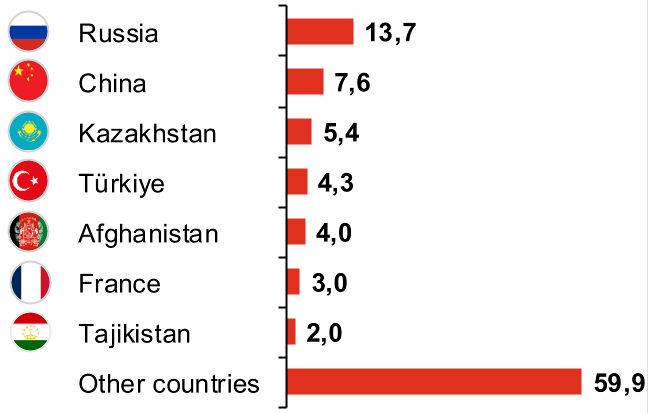
Since 2017, Uzbekistan's export structure has exhibited a notable shift toward products designed for semi-permanent use, while the share of short-term use goods has declined. This evolution reflects a move away from goods with shorter life cycles toward those offering greater durability and long-term utility, signalling a strategic pivot toward more stable and sustained sources of export revenue.

China remained Uzbekistan's largest trading partner in 2024, accounting for 18.9% of total trade, followed by Russia (17.6%), Kazakhstan (6.5%), and Turkey (4.5%). Other key partners include the Republic of Korea, Germany, Turkmenistan, Afghanistan, France, and India.

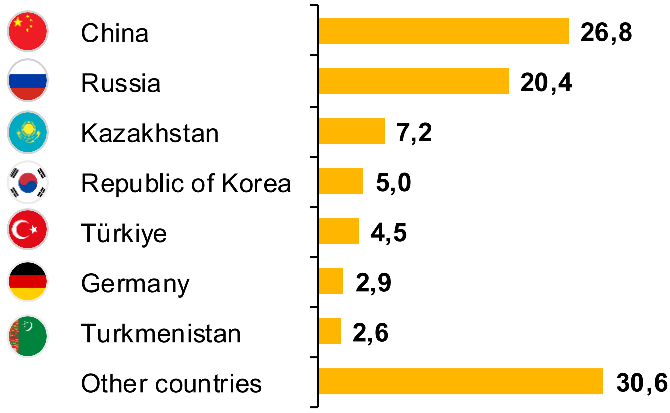
While regional markets continue to dominate trade flows, emerging and advanced markets are becoming increasingly relevant. Expanding exports to the European Union and other high-income economies will require alignment with stringent quality and regulatory standards.

Export and import structure by SITC sections of the Republic of Uzbekistan in % (2024)

The share of the top partner countries of exports of the good and services in % (2024)



The share of the top partner countries of imports of the good and services in % (2024)



Major changes in the corporate and tax legislation introduced within the framework of expediting Uzbekistan's accession into World Trade Organization

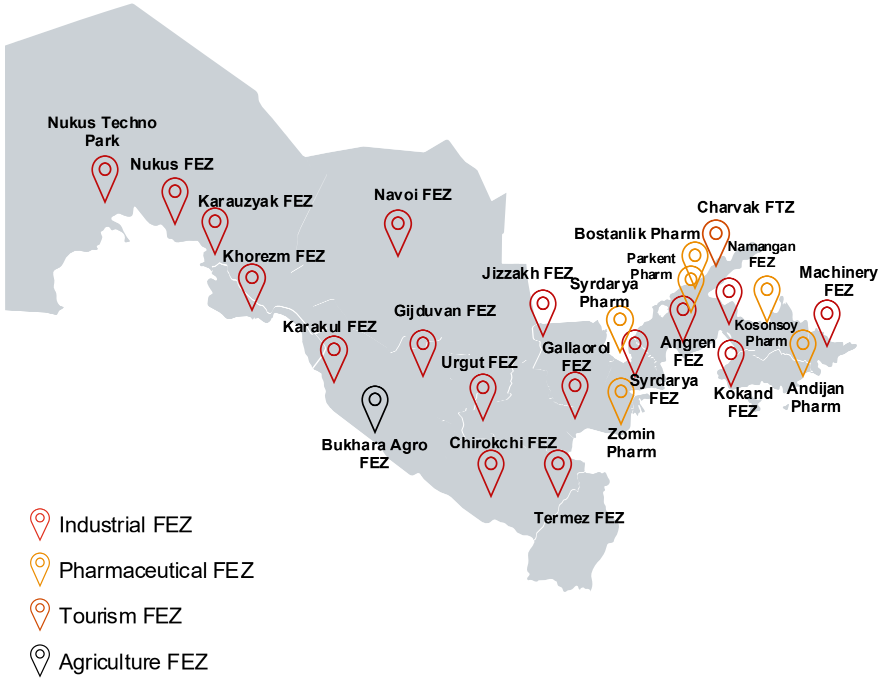
Abolishment of export-related tax incentives and subsidies	• 0% corporate income tax and turnover tax exemption • Transportation cost coverage for export of goods
Abolishment of the state companies' exclusive rights for certain activities	Starting from 1 January 2025: • JSC “Uzmetkombinat” - procurement / purchasing scrap & waste of ferrous metals in Uzbekistan; • JSC "Uzvtortsvetmet" - procurement / exporting scrap & waste of non-ferrous metals; • JSC “Uztrade” - exporting of flour & wheat, as well as products of small businesses and private entrepreneurship, dehkans, and farming enterprises without a bank guarantee or export insurance policy; • LLC "Uzkhimyoimpeks" - exporting chemical products of organizations under JSC "Uzkimyosanoat," as well as importing equipment, spare parts, components, raw materials, and materials for their manufacturing needs. Starting from 1 January 2026: • JSC "UzGasTrade" - exporting and importing natural gas on a centralised basis; • JSC "Uzenergosotish" - exporting and importing electricity
Other updates	• Implementation of licensing procedures for procurement (purchase), processing and sale of scrap and waste of ferrous and non-ferrous metals, as well as wholesale & retail trade of natural gas and electricity will be implemented.

1.7 Free economic zones and cost of doing business

By the end of 2024, Uzbekistan had established 25 Special Economic Zones (SEZs), 416 Small Industrial Zones (SIZs), 23 technology parks, and 433 clusters. These zones host a total of 7,495 enterprises, including 1,071 in SEZs, 3,331 in SIZs, 2,637 in technology parks, and 456 in clusters.

Uzbekistan offers a cost-competitive business environment characterized by relatively low utility tariffs and favourable corporate income tax (CIT) and value-added tax (VAT) rates. These advantages are complemented by an ongoing large-scale modernization of physical infrastructure aimed at enhancing connectivity and industrial capacity. Furthermore, the country benefits from a well-educated labour force, with wage levels and labour costs remaining comparatively attractive by regional standards—further reinforcing its appeal as an investment destination.

FEZ locations across Uzbekistan (2025)



Tax exemptions for FEZ enterprises	
Types	Duration
• Corporate income tax	• 3 years for an investment of 3 million to 5 million USD • 5 years for an investment of 5 million to 15 million USD • 10 years for an investment above 15 million USD
• Property tax • Land tax and • Water usage tax	• 3 years - investment of 300,000 to 3 million USD • 5 years - investment of 3 million to 5 million USD • 7 years - investment of 5 million to 10 million USD • 10 years - investment above 10 million USD

Cost of doing business

Indicator	Uzbekistan	CIS average
Electricity, $ per 1 kWt	0.07	0.07
Water, $ per m³	0.23	0.07
Natural gas, $ per m³	0.13	0.198
Average monthly wage, USD	423	500
Corporate income tax, %	15	16
Value added tax, %	12	15
Personal income tax, %	12	15

1.8 Financial system

As of May 1, 2025, Uzbekistan's banking sector comprises 36 commercial banks, including 9 with state participation. The sector remains relatively concentrated, with total assets amounting to UZS 829.8 trillion (approximately USD 65 billion). State-owned banks continue to dominate the financial landscape, accounting for 65 percent of total assets and 69 percent of all loans, with National Bank, Agrobank, and Asaka Bank among the largest institutions by market share.

Nevertheless, the private banking segment is gaining ground, comprising 35 percent of total assets, 31 percent of loans, and 39 percent of total capital.

The banking system reflects a gradually evolving structure, where increased competitiveness among private institutions and efforts to reduce state dominance are expected to foster greater efficiency, financial deepening, and support for broader private sector–led growth.

The ongoing reform of Uzbekistan's banking sector is anchored in the Strategy for Reforming the Banking System for 2020–2025, which aims to significantly reduce the state's dominant role in commercial banking. A central pillar of this strategy is the phased privatisation of state-owned banks through the sale of equity stakes to reputable strategic investors with demonstrated expertise in financial services.

The reform follows a two-stage approach. The initial phase focuses on institutional transformation, supported by international financial institutions and technical advisory partners. Key components include the strengthening of corporate governance frameworks, the modernization of core banking systems and IT infrastructure, and the expansion and diversification of banking services.

Such measures are expected to improve operational efficiency and lay the groundwork for sustainable private sector participation in the financial system.

As part of its broader financial sector reform agenda, Uzbekistan finalized the sale of its state stake in Ipoteka Bank to Hungary's OTP Bank for USD 324 million in December 2022. Under the terms of the agreement, OTP Bank acquired a 75% equity stake initially, with the remaining 25% to be transferred over a three-year period. Ipoteka Bank, the fifth-largest bank in Uzbekistan, holds an estimated 8.5% share of the banking market and serves more than 1.6 million retail clients. This transaction represents a significant step in advancing the government's objective of reducing state ownership and fostering greater private sector participation in the banking industry.

The privatisation of major state-owned banks—including AsakaBank, Uzpromstroybank (SQB), and AloqaBank—is scheduled for 2025 as part of Uzbekistan's ongoing banking sector reform strategy. These transactions are being prepared with the technical support of the International Finance Corporation (IFC) and the Asian Development Bank (ADB) and are contingent upon deeper integration with international financial institutions and the adoption of global best practices in corporate governance and risk management.

Concurrently, Uzbekistan is expanding its Islamic finance sector as a means of diversifying financial instruments and attracting new sources of capital. The European Bank for Reconstruction and Development (EBRD) projects that Islamic banking assets in Uzbekistan could reach USD 2.4 billion by 2033. The country has seen increased interest in Sharia-compliant instruments such as sukuk (Islamic bonds), ijara (leasing), and murabaha (cost-plus financing). Since 2014, a total of 12 banks—7 private and 5 public—have been offering Islamic financial services through wakala-based agency agreements.

2. Sectors of Uzbekistan

2.1 Agriculture

Why invest in Uzbekistan's agricultural sector?

- Ideal climate conditions for various agricultural products and vast arable land
- Increasing domestic demand and export potential
- Tax incentives specific to the sector and agricultural free economic zones

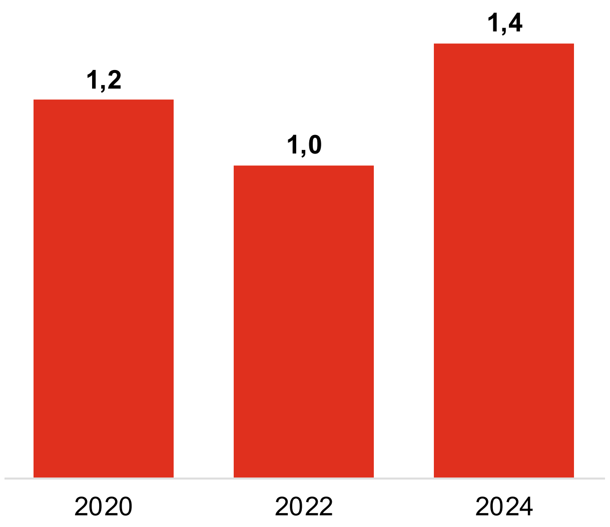
A Snapshot of the Agricultural Sector

Agriculture remains a foundational pillar of Uzbekistan's economy, particularly in rural areas, where nearly 49% of the population resides as of 2024. The sector contributes approximately 19.2% to national GDP and accounts for 5.8% of total export revenues, underscoring its importance to both economic activity and food security.

Uzbekistan possesses significant agricultural land endowments, with favourable agro-climatic conditions supporting a diverse crop base. In 2024, the country's grain harvest surpassed 9 million tons for the first time on record, reflecting increased productivity and improved land use. According to data from the National Statistics Committee, major crop outputs include wheat (34.4%), cotton (29.9%), fruits (8.9%), forage crops (7.1%), vegetables (5.9%), grapevines (3.2%), potatoes (2.4%), and melons and gourds (1.4%). The remaining 8.3% comprises a variety of other crops, demonstrating the sector's growing diversification.

Uzbekistan is a leading agricultural supplier in Central Asia and the CIS, with an expanding export presence in China.

The total livestock production (bn USD)



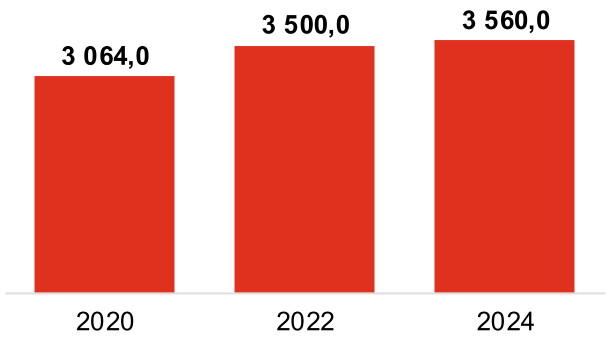
The Government of Uzbekistan has launched the Strategy for Agricultural Development 2020–2030, aimed at fostering a more competitive and sustainable agricultural sector. The strategy focuses on liberalizing domestic and external markets, enhancing productivity, and promoting environmental resilience.

To support these objectives, the sector benefits from a range of targeted fiscal incentives. Enterprises deriving at least 90% of income from crop production are eligible for a 0% corporate income tax (CIT) rate. Additional exemptions apply to property, land, water, and excise taxes. Furthermore, the establishment of two agricultural free economic zones (FEZs)—in Bukhara and the Republic of Karakalpakstan—provides preferential regimes to attract investment in agribusiness and agro-processing.

In 2024, the Ministry of Agriculture initiated 24 investment projects totalling USD 988.5 million, including foreign direct investment, as part of a broader pipeline aiming to mobilize over USD 5 billion. Strategic efforts are underway to ensure efficient use of external financing and accelerate project implementation to support farmers and agribusinesses.

Agricultural exports reached USD 1.5 billion in 2024. The primary markets for fruit and vegetable exports included Russia (42.1%), Kazakhstan (12.7%), Pakistan (12.6%), and Afghanistan (8.0%), reflecting the sector's growing integration into regional value chains.

Cotton production, in thousand tons

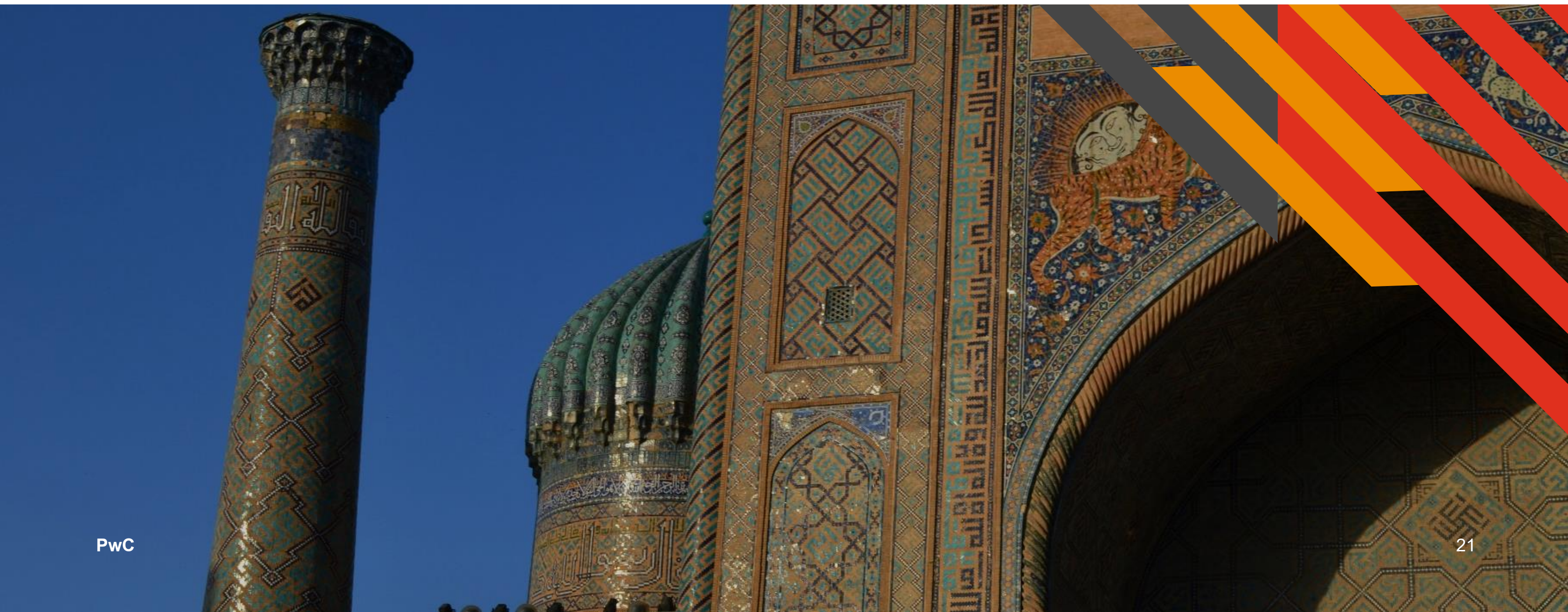


Indorama Corporation (Singapore), in 2018 founded Indorama Agro, LLC, a wholly-owned subsidiary of Indorama Corporation, which is one of the largest cotton farms in Uzbekistan. The enterprise produces cotton, wheat and other crops. It has invested around 200 million USD in the sector so far.

Silverleafe International (USA), launched the joint venture Silverleafe, LLC in 2018, investing USD 344 million in an agricultural cluster in Jizzakh focused on cotton cultivation and processing.

China International Trust and Investment Corporation (CITIC GROUP, China), one of China's largest state-owned investment firms, intends to invest $50 million in developing a major agrilogistics park in Syrdarya region.

E20 INVESTMENT (UAE), it was announced that the company plans to develop an agricultural cluster in the Andijan region, which will include a berry plantation and fish farming operations.



2.2 Oil and gas

Why invest in Uzbekistan's oil and gas sector?

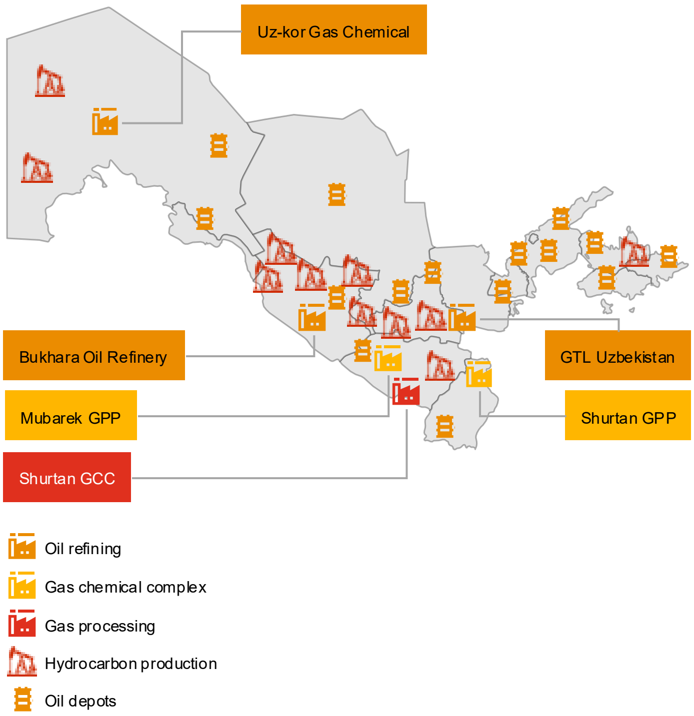
- Substantial proven gas reserves
- Growing demand for gas and oil products both domestically and regionally
- Notable government incentives for transitioning to oil and gas processing

A Snapshot of the Oil and Gas Sector

The oil and gas sector remains a cornerstone of Uzbekistan's economy, contributing significantly to fiscal revenues, export earnings, and employment, while serving as a critical input provider for other sectors. The sector is primarily overseen by the state-owned enterprise Uzbekneftegaz, which plays a central role in domestic production. International participation is structured largely through production sharing agreements (PSAs) with the state.

Uzbekistan holds sizable hydrocarbon reserves, positioning the country as an important energy player in the region. As of 2024, proven natural gas reserves stood at approximately 675.9 billion cubic meters, placing Uzbekistan 19th globally and accounting for roughly 1% of total global reserves. Over 50% of these reserves are operated by Uzbekneftegaz. In parallel, the country's proven reserves of crude oil and condensate were estimated at 19.5 million tons in 2024.

Geographical presence



Uzbekneftegaz is the principal natural gas producer in Uzbekistan, responsible for approximately 60% of the country's total gas output. The company plays a critical role in the national economy, contributing an estimated 3.5% to GDP. It oversees the development and operation of 129 hydrocarbon fields, which collectively contain around 50% of Uzbekistan's proven reserves. In addition to upstream activities, Uzbekneftegaz maintains an integrated refining and marketing platform, with a total processing capacity of 6.7 million tons per year, supporting downstream diversification and value addition within the sector.

Overview of core processing and marketing assets

Bukhara Oil Refinery
Total annual capacity: 2.5 million tons.
Types of products: 8

Shurtan GCC
Total annual capacity: 4.0 billion cubic meter. m.
Types of products: 5

Uz-Kor Gas Chemical
Total annual capacity: 4.5 billion cubic meter. m.
Types of products: 3

GTL Chemical
Total annual capacity: 3.6 billion cubic meter. m.
Types of products: 4

Source: UNG (2024)

Uzbekistan presents several promising opportunities in the oil and gas sector

01
Oil and Gas

Uzbekistan oil and gas sector benefits from rising gas production, investment plans, and the major 730-million-barrel oil discovery in the Zarafshan depression, with additional promise in untapped oil shale deposits

02
Export and Market Value

Higher global commodity prices could boost the value of hydrocarbon exports, enhancing the country’s trade potential

03
Infrastructure and Regional Integration

Infrastructure development, especially through cooperation with Central Asian neighbours, may improve access to Uzbekistan’s landlocked resources

04
Sector reforms and Privatisation

Business environment improvements, refining sector modernisation, and potential privatisation of Uzbekneftgaz aim to increase efficiency, transparency, and export capacity

Key foreign investors in the sector

China National Petroleum Corporation (CNPC), entered Uzbekistan in 2006, focusing on oil and gas investments, engineering, and technical services. Its portfolio includes the "New Silk Road" project, a 2007 cooperation agreement with "Uzbekneftegaz" for exploration and development, and a joint venture for the Mingbulak oil field. CNPC also participates in the Uzbekistan-China Gas Pipeline project and owns 13 oil and gas mines.

Epsilon Development Company (US), in 2019, the organization received a state license for oil and gas exploration, in accordance with a resolution of the Cabinet of Ministers. The company's main objective is to search for oil and gas fields within the territory of the Republic of Uzbekistan.

Uz-Kor Gas Chemical LLC (Korea). As part of bilateral cooperation between the Republic of Uzbekistan and the Republic of Korea, a joint venture was established on an equal partnership basis between the National Holding Company "Uzbekneftegaz" and a consortium of Korean companies. This venture represents a strategic partnership between Uzbekistan and Korea and stands as one of the largest Korean investments in the entire Central Asian region.

Air Products (US), in May 2023, the company signed a $1 billion agreement to acquire, own, and operate a syngas plant within Uzbekneftegaz’s gas-to-liquids facility in Qashqadaryo Province. The facility, with a 1.5 million tonne annual capacity, serves both domestic and export markets and includes major air separation, reforming, and hydrogen production units

2.3 Energy

Why invest in Uzbekistan's energy sector?

- Rising electricity demand
- Transition towards renewable energy sources (solar and wind) in power generation
- Ongoing upgrades to generation, transmission, and distribution systems

A Snapshot of the Energy Sector

Uzbekistan’s energy sector is undergoing a rapid transformation, marked by significant advancements in both conventional and renewable generation. As of 2024, the country operates 91 power plants with a combined installed capacity of 21,398 MW, of which thermal sources account for 79%, hydropower 10%, solar 9%, and wind 1%. Power generation is expected to rise by 50% between 2020 and 2025, driven by robust demand growth and targeted investments in infrastructure modernization.

In support of its green transition, Uzbekistan commissioned 2,000 MW of solar and 200 MW of wind capacity in 2024, alongside 184 kilometres of new transmission infrastructure.

These projects are expected to generate 3.5 billion kWh annually, offsetting nearly 1 billion cubic meters of natural gas and contributing to job creation with 5,000 temporary and 200 permanent roles.

These efforts underscore the government’s commitment to diversifying the energy mix, enhancing energy security, and aligning with global sustainability objectives.

Priority measures in energy sector

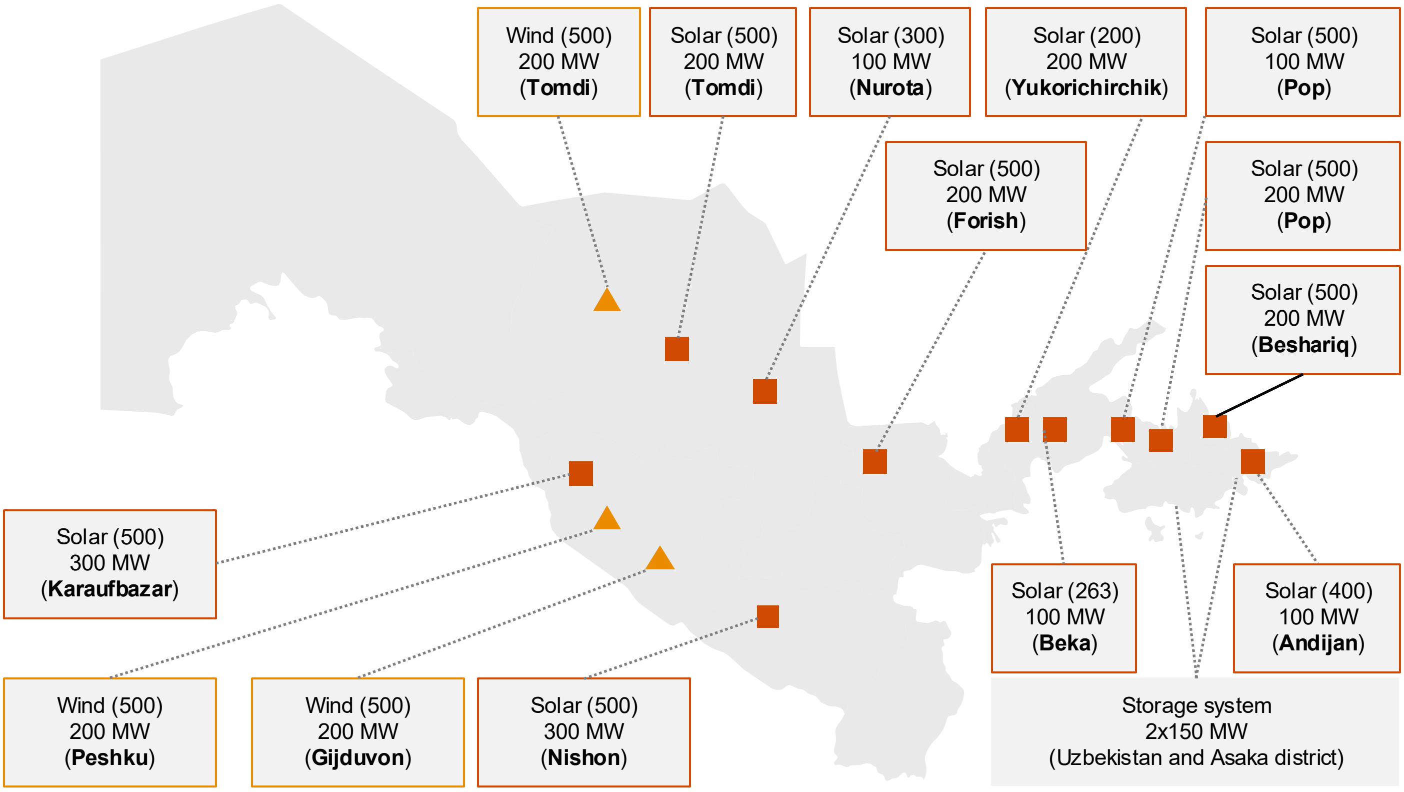
- **Reducing the use of coal**
- **Development of renewable energy**
- **Development of hydro-energy**
- **Development of Electric Grids**
- **Development of distribution power grids**
- **Market-based regulatory mechanisms**

The nation's broader energy strategy involves transitioning away from coal, which accounted for only ~3% of electricity production in 2024, and prioritizes renewable energy development between 2020 and 2030, with an emphasis on solar power. Wind farms of 100-1,500 MW will be situated in Karakalpakstan and Navoi regions, while solar units will be in the Central and Southern areas, with large solar plants incorporating energy storage systems.

Uzbekistan is actively pursuing 62 projects, including the construction and modernization of over 24 hydroelectric plants, aiming to boost their capacity to over 4,000 MW by 2030. The enhancement of power transmission networks will involve constructing high-capacity substations in Tashkent city and the region, adapting 220 kV transmission lines into distribution networks by 2030. Reducing electricity network losses and improving reliability are major priorities, facilitated by transitioning to a wholesale market where network operations will be divided and sales functions outsourced to private firms. Modernization of low-voltage networks has been ongoing since 2022.

Looking forward, Uzbekistan plans to achieve substantial growth in renewable energy capacities exceeding 20 GW by 2030, incorporating wind, solar, hybrid, and battery storage systems to bolster energy security and sustainability. This comprehensive energy mix mirrors Uzbekistan's strategic shift towards a diversified and sustainable energy system.

Priority measures in energy sector



Solar, wind and hydroelectric power development

Uzbekistan's renewable energy capacity has reached 4.8 GW as of 2024, driven primarily by solar power, which accounts for 3.3 GW. Photovoltaic installations are being expanded in key regions such as Navoi, Bukhara, Kashkadarya, and Samarkand, reinforcing the country's strategic shift toward sustainable power generation. Notable solar projects in Tashkent, Namangan, and Fergana already contribute significantly to grid stability and capacity.

Complementing solar expansion, Uzbekistan is advancing its wind energy agenda, with 1.5 GW currently operational and an additional 12.5 GW under development. Major wind projects are planned in Karakalpakstan, Bukhara, Navoi, and Khorezm, with individual capacities ranging from 1,000 to 1,500 MW. These developments signal the country's commitment to diversifying its energy mix and scaling up renewable energy to meet growing domestic demand and support decarbonization goals.

Uzbekistan currently operates 56 hydroelectric power stations with a combined installed capacity of 2.6 GW. The country is actively scaling up its hydropower potential through the development of four pumped-storage facilities, projected to add an additional 1.4 GW. Planned investments include new installations in key regions such as Tashkent and Namangan, with significant capacities expected to enhance system flexibility and grid stability. Noteworthy developments include a 300 MW facility in Surkhandarya and eight upcoming projects in Syrdarya totalling 219 MW, reinforcing hydropower's growing role in Uzbekistan's diversified energy transition strategy.

Key information on renewable energy

Solar energy		Wind energy		HPPs and PSPs	
10	Existing solar power plants	1	Existing wind power plant	56	Existing hydroelectric power plants
3.3 GW	Total capacity for producing solar renewable energy	1.5 GW	Total capacity for producing wind energy	2.6 GW	Total production capacity of all hydroelectric power plants
10+	Solar power plants are being built	5+	Wind energy power plants are being built	25+	HPPs and PSPs under construction
10.4 GW	Total capacity of solar power plants under construction	12.5 GW	Total capacity of wind energy facilities currently being built	3.7+ GW	Total capacity of hydroelectric power plants and pumped-storage power plants under construction

Source: Ministry of Energy, National Statistics Committee, Ministry of Economy and Finance

Key foreign investors in the sector

	ACWA Power (Saudi Arabia), is currently implementing several projects in Uzbekistan, including those in the renewable energy sector (wind power). The company's total portfolio in the country comprises 15 projects worth $15 billion, located in Tashkent, Syrdarya, Samarkand, Bukhara, and Karakalpakstan.
	Masdar (UAE), in cooperation with Uzbekistan, has already implemented energy projects with a total capacity of 1,497 MW. These include a 500 MW wind power plant in Zarafshan, as well as solar photovoltaic plants in Karmana (100 MW), Gallaorol (220 MW), Kattakurgan (220 MW), and Sherabad (457 MW).
	TotalEnergies (France) has deepened its collaboration with Uzbekistan, contributing to the country's sustainable energy goals and infrastructure upgrades. The French energy firm has invested in renewable energy projects, supporting Uzbekistan's target of generating 25% of its energy from renewables by 2030.
	Mubadala (UAE). In September 2022, Uzbekistan signed agreements with Emirati companies Mubadala and TAQA to establish a joint venture to operate the Talimarjan power plant. The total foreign investment amounts to around USD 1 billion, with USD 700 million allocated to repay previously incurred loans by the plant.
	TAQA (Abu Dhabi National Energy Company, UAE). A long-term, 25-year power supply agreement has been concluded with the state-owned Uzenergosotish. TAQA will leverage its experience in low-carbon energy and water-efficient technologies to help address Uzbekistan's rising electricity needs
	Voltalia (France), signed a 25-year power supply agreement in Uzbekistan for a hybrid energy cluster that integrates solar, wind, and storage technologies. It is also working on additional projects in energy storage and agrivoltaics.

Program documents and targets for energy sector in Uzbekistan:

"Uzbekistan – 2030" strategy	35%	reduction in specific GHG emissions per unit of GDP from the 2010 level
	25	GW of RES capacity to be installed
	30-40%	share in total electricity generation to be achieved through RES
The Strategy for the Transition of the Republic of Uzbekistan to a "Green" Economy for 2019-2030	20%	increase in energy efficiency in industry
	30%	reduction in GDP energy intensity, boosting the use of renewable energy sources

2.4 Textile industry

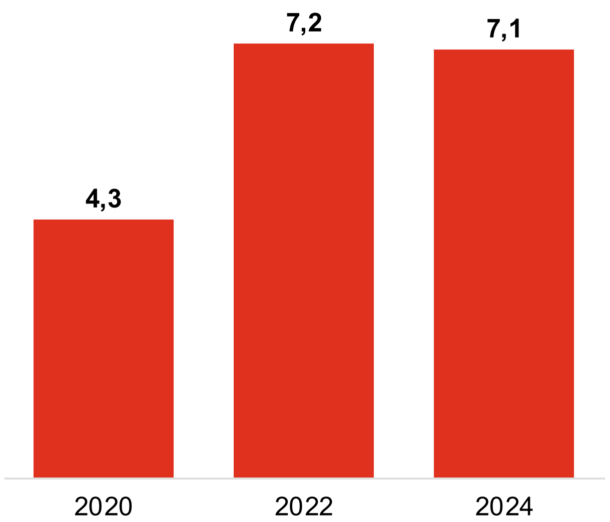
Why invest in Uzbekistan's textile sector?

- A plentiful supply of production raw materials, including cotton fiber, leather, and silk
- A growing market for manufacturing high value-added textile exports

A Snapshot of the Textile Sector

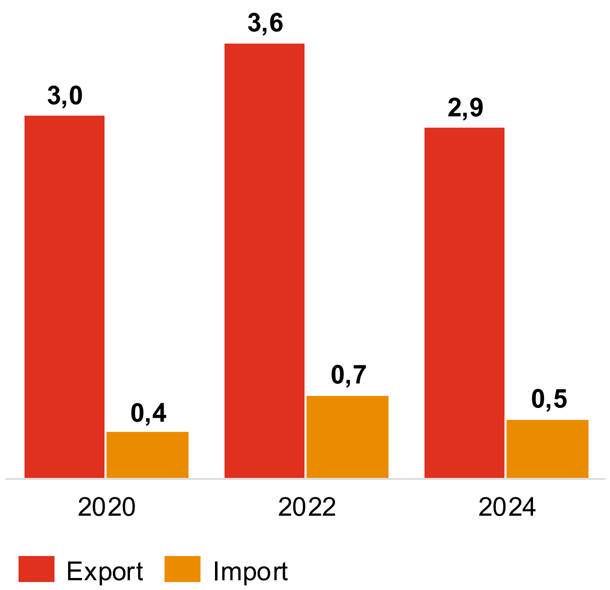
- Uzbekistan is shifting toward higher value-added production in its textile industry. The sector focuses primarily on processing cotton fiber, leather, and silk into semi-finished and finished goods. As a result, value-added products such as knitwear, ready-made garments, and footwear now account for approximately half of all textile exports.
- More than 7,000 enterprises in Uzbekistan are engaged in processing cotton into raw materials such as yarn, which are then transformed into fabric and clothing. Value-added products—textiles, knitwear, and garments—have now overtaken raw materials as the country's primary textile exports. Russia, China, and Turkey are the main importers of Uzbek textiles, while foreign investors have brought advanced expertise and technology to the sector.
- In 2024, enterprises in Uzbekistan produced 82.5 million pairs of footwear, while leather production reached 545.8 million square decimetres. The total output of the leather and footwear industry amounted to $0.3 million, with leather goods accounting for $13.0 million. Additionally, fur and karakul products exceeded $0.3 million, and gelatine production totalled $14.9 million. These figures highlight the industry's significant contribution to Uzbekistan's economy, reflecting its dynamic growth and increasing global competitiveness.
- Uzbekistan is preparing for a major transformation in its textile industry, with plans to double exports to $6.5 billion by 2026. This bold goal reflects the nation's commitment to becoming a dominant force in the global textile market by harnessing its rich cotton legacy and strategic foreign investments.
- Uzbekistan's membership in the GSP+ program since April 10, 2021, brings substantial benefits to its textile sector, primarily through reduced tariffs on exports to the European Union. This status enhances the competitiveness of Uzbek textiles by eliminating or lowering tariffs, increasing export opportunities and making products more attractive to the EU market.
- The GSP+ program also facilitates investment in Uzbekistan's textile industry by signalling a commitment to sustainable development and diversifying exports beyond traditional commodities like cotton. To maintain GSP+ benefits, Uzbekistan has committed to eradication of forced and child labour, particularly in cotton production, aligning with international conventions on human rights, labour, and environmental standards. Active dialogue with the EU ensures ongoing adherence to responsible business practices and governance, supporting Uzbekistan's objectives for sustainable development.

Production (bn USD)



Source: SSC (2024)

Export and Import (bn USD)



Key foreign investors in the sector

Indorama Corporation (Singapore), launched the joint stock company Indorama Kokand Textile (initially launched in 2011) through its Indonesian subsidiary. The company specializes in the production of cotton yarn.

Youngone Corp (South Korean), currently operates two factories in Uzbekistan and plans to expand further, bringing in $55 million in investments and creating over 5,000 new jobs.

Jinsheng Group" (China)

Jinsheng Group, a major Chinese industrial conglomerate, has established a presence in Uzbekistan by investing $110 million in the high-tech LT Textile complex in the Kashkadarya region.

Rieter AG (Switzerland)

Rieter is enhancing its capabilities in repair services by launching its inaugural facility for mechanical and electronic repairs in Tashkent, Uzbekistan. The company will manage the centre in collaboration with the Italian firm Textile Service Solutions.

2.5 Chemicals

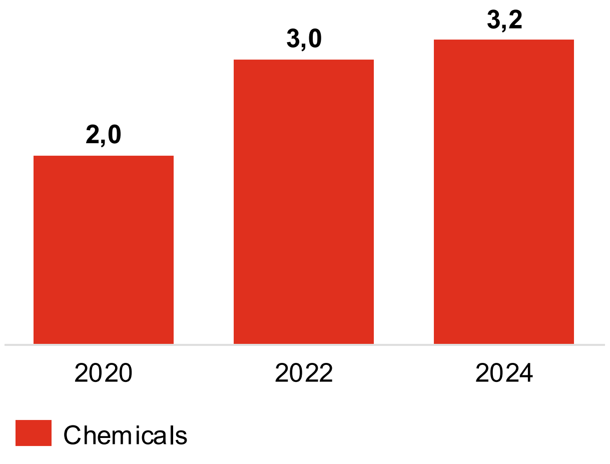
Why invest in Uzbekistan's chemical sector?

- Increasing demand for agrochemical products
- Rich reserves of raw materials needed for chemical production (for instance, natural gas, limestone, phosphates)
- Significant export opportunities to neighbouring countries

A Snapshot of the Chemical Sector

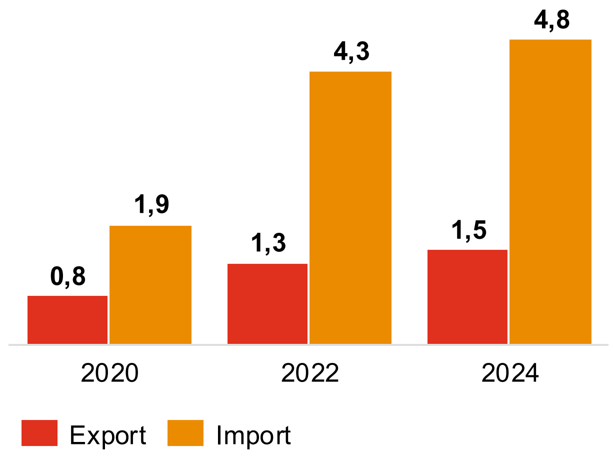
- Chemical production in Uzbekistan has seen remarkable growth. The country's chemical sector primarily caters to the agricultural industry by supplying fertilizers and other chemicals. It manufactures all three essential types of fertilizers-nitrogen, phosphorus, and potassium-as well as methanol and caustic soda. Between 2017 and 2024, the sector's production output, measured in local currency terms, doubled.
- From 2020 to 2024, major enterprises in Uzbekistan boosted chemical production by 91.5%. In the past year, the country exported chemical products valued at $1.6 billion. In 2024, the production of plastic and rubber products reached $1.4 billion, marking a year-on-year growth of 60.3%. Since 2020, production volume has more than doubled, increasing by 2.5 times. Last year, Uzbekistan exported plastic products worth $31.8 million, contributing to the total $1.5 billion in chemical product exports.
- There are abundant investment opportunities in both fertilizer and non-fertilizer chemical production. The manufacturing of fertilizers (nitrogen, phosphorus, potash) and non-fertilizer chemicals (plastics, rubber, detergents) can be expanded into the production of inorganic products such as polyacrylonitrile (PAN), acrylonitrile-butadiene-styrene (ABS) plastic, and various chemical products including polystyrene, reagents, catalysts, and additives. These products could support key industries like metallurgy, oil and gas, and textiles.

Production (bn USD)



Source: SSC (2024)

Export and Import (bn USD)



Source: SSC (2024)

Key foreign investors in the sector

Maxam Corp S.A.U (Spain), acquired a 49% stake in a state-owned company - Elektrkimyosanoat for 22 million USD in 2007, renaming the company JSC Maxam-Chirchiq. Maxam-Chirchiq specializes in the production of more than 40 types of mineral fertilizers and chemical products.

Ferkensco Management Limited (Cyprus), possess 100 % of shares of Samarkandkimyo, invested around 200 mln USD, plant's capacity is 600,000 tons of ammonium sulfate, urea, melamine and phosphorous-based fertilizers.

2.6 Pharmaceuticals

Why invest in Uzbekistan's pharmaceutical sector?

- Ample domes c market and opportunities for pharmaceutical import substitution
- Significant incentives for pharmaceutical FEZ tenants
- Ongoing privatisation of a pharmaceutical industry

A Snapshot of the Pharmaceutical Sector

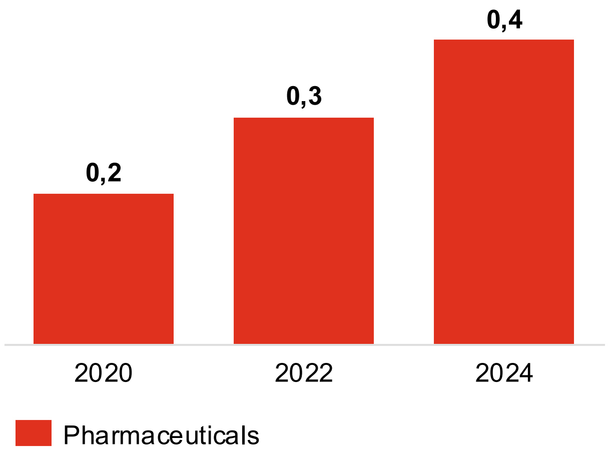
- The pharmaceutical sector in Uzbekistan is one of the largest and fastest growing in the CIS. It encompasses the development, manufacturing, and distribution of pharmaceutical products. In Uzbekistan, 98% of drug sales occur in the retail market, with 60–70% of those sales being prescription medications.
- Uzbekistan hosts five specialized pharmaceutical Special Economic Zones (SEZs)—Parkent-Pharm, Bustonlik-Pharm, Andijan-Pharm, Kosonsoy-Pharm, and Zomin-Pharm—offering significant advantages for investors and manufacturers.

Key benefits include unlimited validity of state registration certificates for newly developed local pharmaceutical products, up to 20% preference in government procurement, and 50% reimbursement of foreign registration expenses for local manufacturers.

Additionally, residents of these SEZs enjoy exemptions from customs duties and VAT on imported raw materials and components used for export production, as well as on imported construction materials and technological equipment.

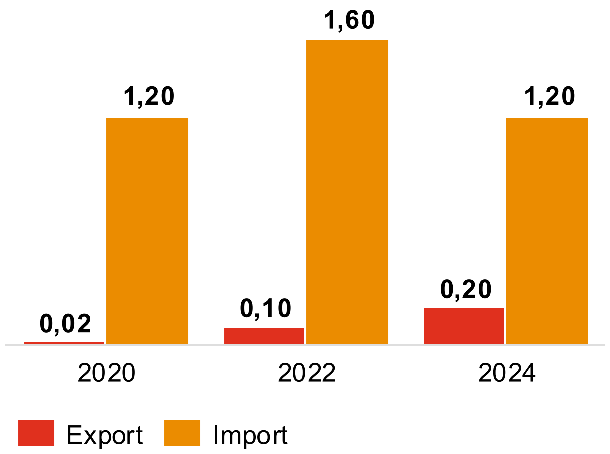
- Growth in Uzbekistan's pharmaceutical industry has been fuelled by a growing population and key reforms, including a streamlined drug registration system based on mutual recognition agreements. This has accelerated patient access to advanced treatments. Among the leading players, STADA ranks within the top three in both the OTC and prescription drug segments.

Production (bn USD)



Source: SSC (2024)

Export and Import (bn USD)



Source: SSC (2024)

Key foreign investors in the sector

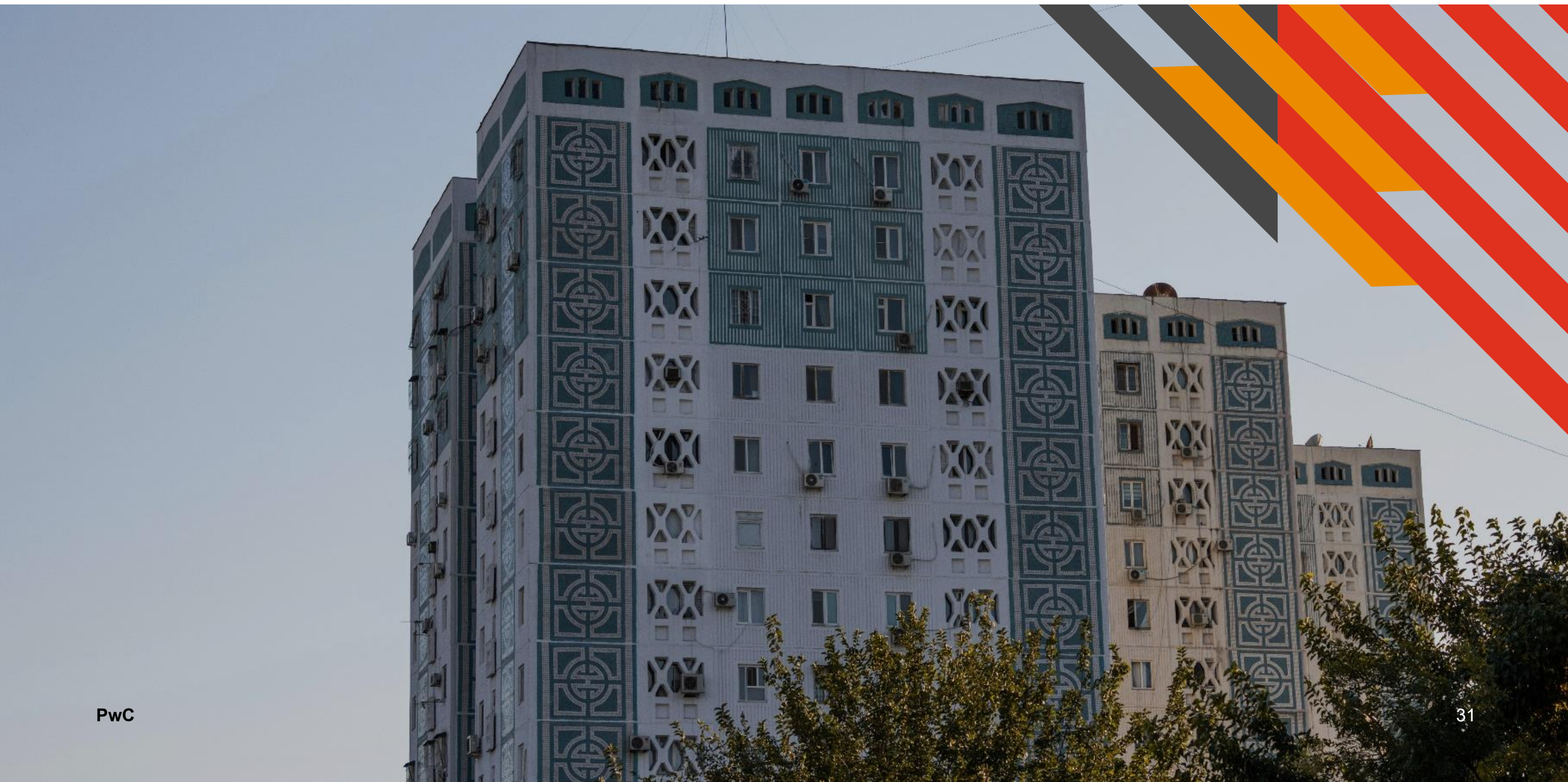
Nobel Pharmaceuticals (Turkey), has been operating in Uzbekistan since 2002 and has one of the three major pharmaceutical production facilities of the company in the world in Uzbekistan.

Samarkand England Eco-Medical (SEEM), a joint venture between Helbron System (UK) and Vostorg Elita Lux (Uzbekistan) was established in 2015. The British-Uzbek venture has produced infusion solutions, tablets, and capsules in Samarkand.

Sanofi (France) holds a prominent position in the pharmaceutical market and has been active in Uzbekistan for over 20 years. In March 2022, SWIXX BioPharma partnered with Sanofi to distribute and market their drugs in Uzbekistan. Additionally, as of January 2022, Sanofi teamed up with the Medipal Group to manage logistics and commercial operations in the country.

Novartis (Switzerland) operates a representative office in the country

Takeda (Japan) operates an office in Tashkent



2.7 ICT

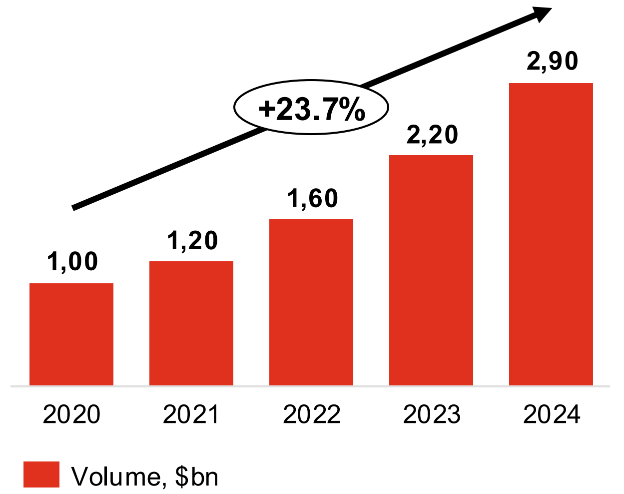
Why invest in Uzbekistan's ICT sector?

- Fast-growing sector with a rising number of mobile and internet users
- Robust government support for IT Park businesses
- Growing pool of graduates with expertise in computer programming

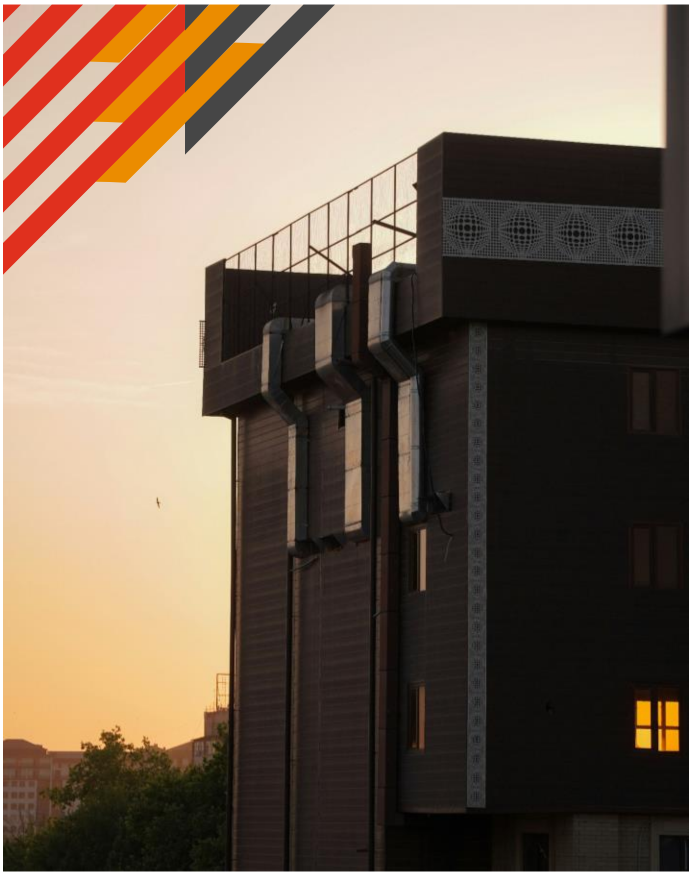
A Snapshot of the ICT Sector

- Uzbekistan's ICT (Information and Communication Technologies) sector has undergone significant transformation and rapid development. From 2016 to 2024, the industry experienced strong expansion, with computer programming and IT services emerging as the fastest-growing segments.
- Currently, six mobile operators are operating in Uzbekistan: Beeline, Mobiuz, Ucell, UZTELECOM, Perfectum, and Humans.
- In 2024, the share of information and communication in the country's economy was 2.7%. In the structure of the value added of this sector, the largest share was accounted for by communication services (including wired and mobile communications, Internet services, etc.), which made up 35.0%. The remaining 65.0% of value added created in this sector was attributed to other areas (such as publishing activities, computer programming, software development, broadcasting, etc.).
- In 2024, Uzbekistan's IT sector made remarkable strides: Uzum became the country's first unicorn with a valuation exceeding $1 billion, while IT Park launched a Digital Startups Program, opened a representative office in Saudi Arabia, and established a $10 million venture fund. Under the "Digital Uzbekistan – 2030" strategy, digital technologies were actively integrated into public administration, healthcare, agriculture, and finance. IT service exports reached $344 million, 10 new IT schools opened, and startups like BILLZ, Point AI, and Tahrirchi gained international recognition. Eight Uzbek companies participated in TechCrunch Disrupt 2024, underscoring the nation's growing presence in the global tech ecosystem.
- In 2024, the share of information and communication technology (ICT) services in the country's economy was 2.4%.

Gross value added of information and communication



Source: SSC (2024)



Key foreign investors in the sector

VEON (Netherlands), has provided mobile communication services under the Beeline brand since 2006**.**

ZTE (China), has produced DSLAM equipment and ADSL modems in the Navoi FEZ, in partnership with Uzbektelecom, since 2011

Huawei - The global ICT leader is actively involved in infrastructure development and technology solutions, providing equipment and services across various segments in Uzbekistan.

Government Initiatives: Digital Uzbekistan 2030 Strategy

The 'Digital Uzbekistan 2030' strategy, formalized under the Presidential Decree PF-6079 on October 5, 2020, outlines a comprehensive framework aimed at accelerating the digital transformation of Uzbekistan's economy, social sectors, and state governance systems. This strategy is pivotal for enhancing electronic government services and integrating digital technologies across various sectors to achieve sustainable development goals. The strategy delineates several key objectives and priority areas for digital development:

Development of Digital Infrastructure:

- **Expansion of Optical Fiber Networks:** The strategy emphasizes the modernization and expansion of optical fiber communication lines and international switching centers to enhance the capacity of regional and international telecommunication networks. This includes improving transit communication links with neighbouring Central Asian countries.
- **Broadband Access:** Efforts are directed towards increasing the availability of broadband services in urban and rural areas. This includes expanding data transmission networks to ensure reliable and high-speed internet access for social facilities and residential areas.
- **Mobile and Satellite Communication:** The strategy promotes the development of mobile networks using 4G and 5G technologies, with a phased approach to cover major cities and regions, including Tashkent, the Republic of Karakalpakstan and all regional centres.

Digital Transformation in Key Sectors:

- **Healthcare:** The strategy includes connecting healthcare facilities to high-speed data transmission networks. By December 2020, 196 healthcare facilities were to be connected via optical fiber lines, with ongoing efforts to ensure continuous internet access in all healthcare institutions.
- **Education:** Similar initiatives are planned for educational institutions, including kindergartens and general education schools. By the end of 2020, hundreds of these institutions were to be connected to high-speed internet, with continuous access ensured from January 2021 onwards.

Promotion of IT Services and Digital Literacy:

- **IT Services Market:** The strategy aims to increase the share of IT services in the market structure. For instance, in Syrdarya region, the share of IT services in the market is projected to grow from 2.1% in 2020 to 3.2% by 2022.
- **Digital Education:** The strategy includes initiatives like the "One Million Programmers" program, which aims to significantly increase the number of students in regional educational institutions participating in digital technology courses.

Implementation of Advanced Technologies:

- **Smart agriculture and automated systems:** The strategy promotes the use of satellite navigation technologies in agricultural management. The installation of automated devices in irrigation systems and the implementation of smart meters for electricity and natural gas consumption are also key components.
- The Digital Uzbekistan 2030 strategy points up the importance of the environmental sustainability as Uzbekistan is transitioning to green economy. It considers the environmental impact of digitalization and promotes the adoption of green technologies along with sustainable practices within the ICT sector to minimize its carbon footprint and promote energy efficiency.
- Following the 2020-2022 programme, Presidential Resolution PQ-357 'On measures to bring the field of information and communication technologies to a new stage in 2022-2023' as of 22.08.2022 as well as the Resolution of the Cabinet of Ministers VMQ-699 'On measures to further develop the telecommunications infrastructure of the Republic of Uzbekistan' as of 19.11.2021 stipulate the measures over 2022-2024 across regions of Uzbekistan.

Government Initiatives: Digital Uzbekistan 2030 Strategy

Indicator	Units	Target	
		2025	2030
Length of optical fiber communication network built across the Republic	'000 km	120	250
Coverage level of the regions with high-speed internet access	%	85	100
Level of connectivity of social facilities to high-speed access to the Internet	%	100	100
Level of broadband access to the Internet in households	%	85	100
Coverage level of settlements with broadband mobile communication network	%	100	100
Effectiveness indicator of the 'E-government development index' in the international ranking of e-government development	score	0.75	0.86
The proportion of electronic public services provided through the unified interactive public services portal compared to public services provided by public service centers	%	70	90
The proportion of electronic public services accessible via mobile devices compared to total electronic public services on the single interactive state services portal	%	42	60
The share of transactional services provided through the single interactive state services portal	%	60	75
The share of large enterprises that have implemented ERP systems	%	65	100
Number of online banking service users (legal entities and individuals)	million users	17	20
Number of startup projects included in the incubation and acceleration programs of the technological park of software products and information technologies	units	700	2 300
Number of admission quotas for higher education and secondary specialized education institutions for training personnel in the field of information technology	'000	15	20

2.8 Education

Why invest in Uzbekistan's education sector?

- Rising enrolment rates across both preschool and higher education institutions
- Growing preference for foreign university programs among Uzbek students
- Active government support through financial incentives and public-private partnerships (PPP) to enhance education quality

A Snapshot of the Education Sector

The Government of Uzbekistan has prioritized education as a cornerstone of its long-term economic development agenda, consistently allocating a substantial share of public expenditure to the sector. In 2024, education spending accounted for approximately 4% of GDP, underscoring its central role in fostering inclusive and sustainable growth. This sustained investment reflects a strategic focus on human capital as a primary engine of productivity and competitiveness.

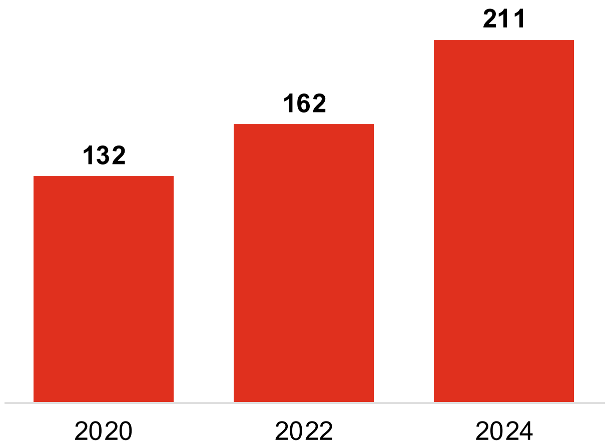
Significant progress has been achieved in expanding access to preschool and tertiary education, supported by large-scale investments in educational infrastructure and systemic modernization. Comprehensive reforms are underway to strengthen institutional capacity across all education levels, with a particular emphasis on early childhood and higher education. As part of its strategic targets, the government aims to achieve an 80% enrolment rate in both subsectors by 2026—demonstrating a strong commitment to improving learning outcomes and enhancing workforce readiness.

Uzbekistan's education sector presents a range of compelling investment opportunities aligned with the government's strategic objective to expand access and improve quality across all education levels. Priority areas include:

- **Preschool Education:** Investment in the construction and operation of modern preschool facilities, including through Public-Private Partnerships (PPPs), remains a high-potential segment given rising demand for early childhood education.
- **Secondary Education:** The government is promoting the rollout of energy-efficient schools equipped with modern teaching technologies. PPPs are encouraged as a delivery mechanism to upgrade the learning environment nationwide.
- **Higher Education Expansion:** In line with its target to reach 50% enrolment by 2026, Uzbekistan plans to establish 30 new universities. This ambitious expansion responds to increasing demand—particularly in science, technology, engineering, and mathematics (STEM) disciplines—where international academic partnerships are actively sought.

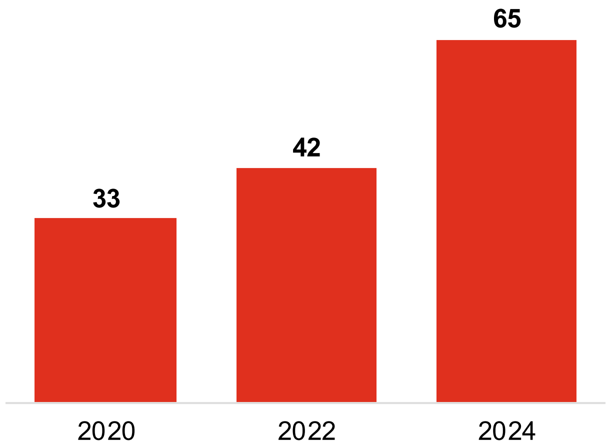
Foreign investors benefit from a wide array of incentives, including tax exemptions, preferential access to land and pre-existing facilities, and favourable terms under PPP frameworks. These incentives, coupled with strong demographic fundamentals and government commitment, position Uzbekistan as an emerging destination for education-sector investment.

Number of higher educational institutions



Source: SSC (2024)

Private foreign educational institutions



Source: SSC (2024)

Key foreign investors in the sector

International investors can engage in the creation of local universities through various models, including franchising, operating full-fledged branch campuses, or collaborating via joint ventures.
The following are the largest and best-known foreign universities established in Uzbekistan:

WESTMINSTER International University in Tashkent — Westminster International University (UK)

MDIS Management Development Institute of Singapore — Management Development Institute of Singapore

TURIN POLYTECHNIC UNIVERSITY IN TASHKENT — Turin Polytechnic University (Italy)

Webster UNIVERSITY — Webster University (US)

인하대학교 INHA UNIVERSITY — Inha University (South Korea)

JAPAN DIGITAL UNIVERSITY — Japan Digital University

BRITISH MANAGEMENT UNIVERSITY — British Management University

American University of Technology Powered by Arizona State University® — American University of Technology

2.9 Healthcare

Why invest in Uzbekistan's healthcare sector?

- Growing interest in private healthcare services
- Robust government backing, including sector-specific incentives and public-private partnerships (PPPs)
- Enhanced life expectancy driving increased demand for high-quality diagnostic services

A Snapshot of the Healthcare Sector

Uzbekistan's healthcare system is predominantly state-run and structured across three administrative levels: national, regional, and district or municipal. Public health services are financed primarily through national tax revenues.

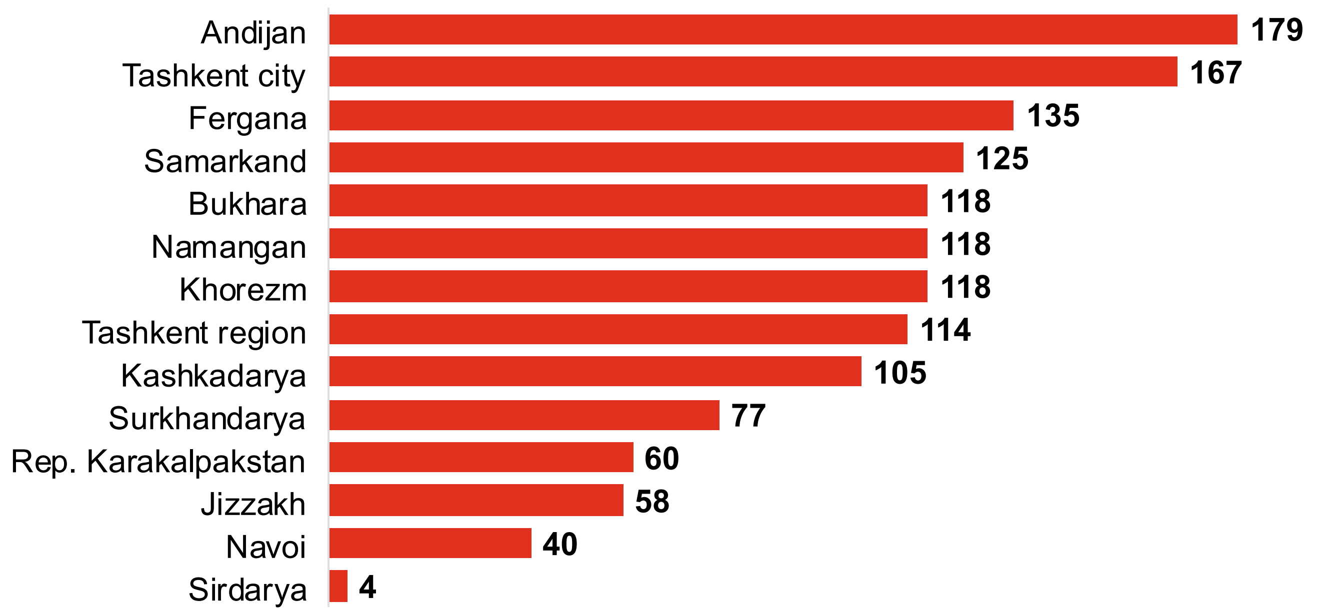
In recent years, the Government of Uzbekistan has placed a strong emphasis on health sector reform and modernization. Rising demand for quality healthcare is being driven by sustained economic growth, demographic expansion, accelerating urbanization, and increasing per capita income.

While the public sector continues to dominate service provision, the role of private healthcare is steadily expanding. Although still representing a smaller share of the market, private providers have gained traction, particularly in diagnostic services, laboratory testing, pharmaceutical supply chains, and outpatient care. This growth is further underpinned by the increasing prevalence of non-communicable diseases—most notably cardiovascular conditions, cancer, and diabetes—which constitute the leading causes of mortality and contribute to mounting pressure on the health system.

To catalyse foreign investment in the healthcare sector, Uzbekistan is actively advancing the use of public-private partnerships (PPPs). The government is particularly focused on mobilizing private sector participation in high-priority areas such as oncology screening and treatment, as well as the development and operation of multifunctional medical facilities.

The sector offers a range of fiscal incentives designed to attract investment and enhance service delivery. Medical institutions that derive at least 90% of their revenue from healthcare services (excluding cosmetology and dentistry) are eligible for preferential treatment, including full exemption from corporate income tax and value-added tax (VAT), relief from property tax obligations, and duty-free importation of medical equipment. These measures are part of a broader policy framework aimed at improving access to quality healthcare while fostering private sector engagement.

Number of hospitals by region



Key foreign investors in the sector

NephroPlus (India), the largest dialysis and kidney care company in India, signed the first major PPP agreement for the delivery of dialysis services in Uzbekistan.

Himchan Hospital (South Korea), a well-known institution for joint and spinal treatments, opened a private medical institution in Bukhara in 2019.

Gulf Care General Trading (Kuwait), plans to invest $260 million in the development of healthcare in Uzbekistan, including the establishment of diagnostic centers in various regions, the organization of pharmaceutical production in five provinces, and the creation of laboratories to improve the quality of diagnostics.

The Government of Uzbekistan obtained a loan from the Export-Import Bank of Korea to build a highly-specialized multidisciplinary hospital in Tashkent. The project involves constructing a modern facility with 300 beds and equipping it with advanced medical equipment.

2.10 Construction materials

Why invest in Uzbekistan's construction-material sector?

- The construction sector has expanded rapidly in recent years, both domestically and regionally
- Rich reserves of construction materials, including limestone

A Snapshot of the Construction materials Sector

Uzbekistan's substantial limestone reserves have positioned cement production as a key driver within the country's industrial landscape. In 2024, cement output reached 16 million tons, reflecting a significant year-on-year increase of 34.2%. Sales on the Uzbek Commodity Exchange (UzEx) also demonstrated strong momentum, rising by 58% to nearly 6 million tons.

The sector comprises 40 cement plants with a combined annual production capacity of 39.7 million tons and employs over 13,000 individuals. Notably, in 2024, seven new investment projects were commissioned, expanding national production capacity by an additional 7 million tons per year.

The Fergana region leads in terms of plant count, with 10 facilities totalling 5.04 million tons of capacity. Andijan hosts 8 plants with a combined output capacity of 7.02 million tons, while Samarkand's 5 plants contribute 3.65 million tons annually. Jizzakh and Namangan regions each operate 4 plants, with respective capacities of 4.7 and 2.05 million tons.

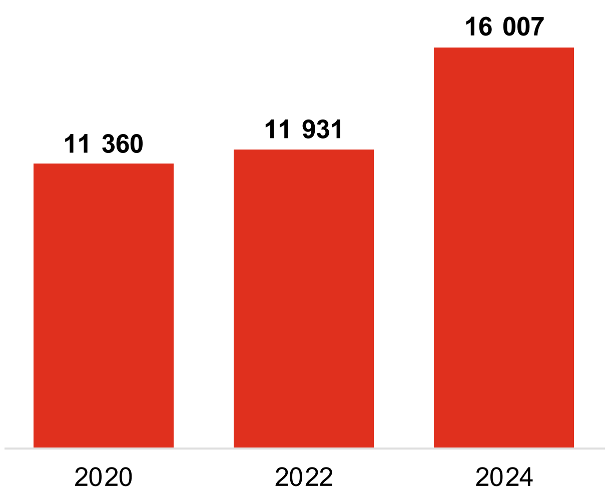
These regional clusters underscore Uzbekistan's strategic focus on expanding domestic production and meeting growing construction demand across Central Asia.

Uzbekistan's construction materials sector is evolving beyond raw materials to include a growing portfolio of finished products such as granite and marble slabs, glass facades, polycarbonate, gypsum board, and metal structures—reflecting broader industrial development. Demand for dry construction mixes, gypsum products, glass, and ceramic tiles is projected to increase in both domestic and export markets in the coming years.

Modern production facilities, established in cooperation with investors from China, Turkey, and Russia, enable the manufacture of high-quality, competitive products that enhance export capacity. Uzbekistan's strategic geographic position supports efficient regional distribution, with strong rail and road links—including access to Afghanistan via Termez—further reinforcing the country's role as a regional hub for construction materials.

The country's cement production base is well-distributed: the Tashkent region hosts four plants with a combined capacity of 6.5 million tons; Surkhandarya and Karakalpakstan each operate two plants producing 1.86 and 1.6 million tons, respectively; while major facilities in Navoi and Kashkadarya contribute 5.7 and 1.6 million tons per year..

Cement Production Dynamics (thousand tons)



Source: O'zsanoatqurilishmateriallari Uyushmasi Uyushmasi

Key foreign investors in the sector

Region	Number of Enterprises	Total Capacity (million tons)
Republic of Karakalpakstan	2	1.6
Samarqand Region	5	3.65
Jizzakh Region	4	4.7
Tashkent Region	3	6.5
Namangan Region	4	2.05
Andijan Region	8	7.02
Fergana Region	10	5.04
Surkhondaryo Region	2	1.86
Qashqadaryo Region	1	1.6
Navoiy Region	1	5.7

Major foreign investors in the sector

KNAUF	KNAUF (Germany), a leading gypsum products manufacturer in Uzbekistan, accounting for 40% of the local gypsum wallboard market.
CNBM	Beijing Triumph (China), Part of China National Building Materials Group (CNBM), the company entered Uzbekistan's cement market in 2009 and has since delivered major projects, including a 1 million-ton grinding station (2010), a 2,500 tpd clinker line (2011), and a 6,200 tpd line (2020).

2.11 Tashkent Pharma Park

Why invest in Tashkent Pharma Park?

- A rapidly growing pharmaceutical sector in both domestic and regional markets
- Government-backed incentives including tax incentives, customs exemptions, and state-supported infrastructure

A Snapshot of the Tashkent Pharma Park

- Tashkent Pharma Park is a strategically designed 130-hectare pharmaceutical cluster in Uzbekistan that offers a unique investment environment by combining a high-tech industrial zone, a Pharmaceutical Technical University, R&D centres, laboratories, a pharmacopoeia centre, a vivarium, and supporting infrastructure. Its mission is to foster an advanced innovation ecosystem by integrating international expertise, scientific research, and modern technology. Although the cluster is not officially designated as a Special Economic Zone (SEZ), it enjoys full SEZ-equivalent tax and customs incentives. These include 0% customs duties on imported construction materials and equipment, deferred import VAT for up to 120 days, and 0% tax on land, property, and water usage. Investors benefit from corporate income tax exemptions based on investment volume: 3 years for investments of $3–5 million, 5 years for $5–15 million, and 10 years for investments exceeding $15 million—making it one of the most attractive destinations for pharmaceutical investment.
- To apply for participation, submit your application to the cluster management either in paper or electronic form. Ensure that the following documents are included:
  - Tax Identification Number (TIN) (or its equivalent for foreign companies)
  - Business plan
  - Draft investment agreement
- The cluster management will review your application and provide their decision within 10 days. The key criteria for evaluation include:
  - Economic feasibility
  - Competitiveness
  - Implementation of advanced technologies
  - Innovation
- If your application is approved, the Pharmaceutical Industry Development Agency will issue a resolution to proceed with the investment project. This will serve as the basis for offering the land plot in the cluster at an online auction.
- If your application is rejected, the documents will be returned to you. You can then revise and resubmit the corrected version of your project for reconsideration.
- Upon a positive conclusion, an online auction will be held for the land plot in the cluster. The investment agreement will be signed with the auction winner within 3 days after the auction, and the cluster participant certificate will be issued.
- Submit your application directly through the official website: https://pharmapark.uz/
- By following these steps, you can apply for participation and potentially invest in the development of the pharmaceutical cluster.

The largest project within Tashkent Pharma Park

Gor Bio Farm (Great Britain), with a total investment of $200 million and completion expected in 2026.

HaemaTech (China), valued at $96.5 million.

World Medicine (Turkey)

Union Korea Pharm (South Korea)

Farmak (Ukraine)

Ego Zlín and ProSpon (Czech Republic)

2.12 Uzbekistan IT Park

Why invest in IT Park?

- Modern Infrastructure
- Attractive Conditions for International Investors

A Snapshot of the IT Park

Launched in Tashkent in 2019, IT Park serves as a hub for Uzbekistan's tech industry, offering comprehensive support and incentives to IT companies and startups. The initiative provides specialized infrastructure, facilities, and investment benefits to resident companies. With ten regional branches now operational - in Tashkent, Andijan, Margilan, Navoi, Bukhara, Samarkand, Jizzakh, Urgench, Nukus, and Gulistan - the program has nationwide reach. Resident companies enjoy several key benefits that will remain in effect through 2028:

- 0% corporate income tax
- 0% value added tax
- 7.5% personal income tax
- 0% social tax
- Customs payment exemptions for specific types of import

Tax incentives will remain available until 2040 for, among others, legal entities engaging in the qualifying activities and having at least 50% of their total revenue generated from export sales.

Steps for Foreign Businesses to Become IT Park Residents in Uzbekistan

- As a foreign business, you can become an IT Park resident in Uzbekistan by registering as a legal entity, opening a local bank account, and submitting a valid business plan meeting statutory requirement for IT Park residency. The One Stop Shop (OSS) service offered by IT Park provides a comprehensive solution for entrepreneurs looking to establish their business in the country. Through OSS, you will receive everything you need to launch your company efficiently, from legal consultation and company registration to preparing necessary documentation and opening a local bank account, allowing you to focus on your business while we handle the paperwork and resources.
- In 2024, Uzbekistan's IT sector made remarkable strides: Uzum became the country's first unicorn with a valuation exceeding $1 billion, while IT Park launched a Digital Startups Program, opened a representative office in Saudi Arabia, and established a $10 million venture fund. Under the "Digital Uzbekistan – 2030" strategy, digital technologies were actively integrated into public administration, healthcare, agriculture, and finance. IT service exports reached $344 million, 10 new IT schools opened, and startups like BILLZ, Point AI, and Tahrirchi gained international recognition. Eight Uzbek companies participated in TechCrunch Disrupt 2024, underscoring the nation's growing presence in the global tech ecosystem.

Additional programs include:

- Zero Risk Program: Free office space in regions of Uzbekistan for 12 months, reimbursement of up to 15% of employee salaries, and up to 50% reimbursement of expenses for training and professional development;
- IT-Visa: Provides unhindered entry into Uzbekistan for 3 years, easy access to a residence permit, and equal access to social services as Uzbek citizens;
- Digital Startups: A development initiative for early-stage digital technology startups;
- Softlanding: Assistance with housing, legal support, and office infrastructure.

IT Park benefits:

Tax Type	Non-Residents	Residents of IT Park
Corporate Taxes	5-20%	0%
Social Tax	12%	0%
Property Tax	1.5 -3%	0%
Personal Income Tax	12%	7.5%
Turnover Tax	4% (general rate)	0%
Value Added Tax (VAT)	12%	0%
Customs Payments on Importing Goods of Own Need	5-15%	0%
VAT on the Import of IT Services	12%	0%

2.13 International Transport Corridors

Why invest in Uzbekistan

- Strategic location at the crossroads of Central Asia, providing access to major international trade routes
- Participation in key international transport corridors

A Snapshot of International Transport Corridors

Transport corridors are critical enablers of international trade, regional integration, and economic growth. For landlocked economies such as Uzbekistan, the development of efficient, reliable, and diversified transit routes is essential to securing access to global markets. By reducing transportation costs and transit times, these corridors enhance the competitiveness of exports and foster deeper economic cooperation with neighbouring countries and major trading partners. Leveraging its strategic geographic position at the crossroads of Europe, Asia, and the Middle East, Uzbekistan is actively advancing several key transit corridors. These initiatives aim to transform the country into a pivotal hub for regional logistics and trade facilitation, each corridor offering distinct advantages in terms of connectivity, cost efficiency, and market reach.

Priority corridors

Corridor	Route	Primary objective	Countries involved
East–West Transport Corridor	China to European Union	Handle freight flows efficiently	Uzbekistan, Kazakhstan
East–South Transport Corridor	China to GCC member states	Enhance trade connectivity with Middle East	Uzbekistan, GCC states, Iran

Prospective Transport Corridors Involving Uzbekistan

Corridor	Route	Details	Benefits
China – Kyrgyzstan – Uzbekistan Railway	Kashgar to Uzbek border	268.4 km section on Kyrgyz territory needs construction	Reduces transit time by 7–8 days; diversifies rail routes
China – Iran Railway via Uzbekistan	Mazar-i-Sharif to Herat; links to Iran	760 km railway; $1.8 billion cost	Streamlines freight movement; reduces shipping costs
Mazar-i-Sharif – Kabul – Peshawar Railway	Central to South Asia	Connects regions; minimizes transportation time and costs	Unlocks transit potential; supports cross-border cooperation
China – Tajikistan – Uzbekistan Road	Potential extension to Turkmenistan and Iran	Diverts traffic from Kamchik Pass; improves efficiency and safety	Enhances road logistics

Strategic initiatives for transport infrastructure advancement and expansion of transport corridors

Over the past seven years, Uzbekistan's road freight capacity has expanded significantly, with the number of registered trucks increasing sevenfold to reach 26,000 units. The share of domestically owned trucks in international cargo transport rose from 35% to 60%, underscoring the growing competitiveness of national carriers.

Looking ahead, the Government of Uzbekistan aims to further enhance the sector through the construction of new road infrastructure, the diversification of transport corridors, the negotiation of additional bilateral and multilateral road transport agreements, and the introduction of targeted incentives to strengthen the position of domestic freight forwarders in international logistics.

According to the Decree of the President of the Republic of Uzbekistan dated 11.09.2023 No UP-158 on the Strategy "Uzbekistan – 2030", the following key measures are envisaged as part of deepening the country's integration into global transport and logistics networks and increasing the potential of the national transport system:

- Construction and repair of 56 thousand kilometres of roads
- Construction and repair of 56 thousand kilometres of roads
- Construction of a total of 5.5 thousand kilometres of roads with cement concrete pavement, running from district centres to rural settlements

The Ministry of Transport plans to conclude new international agreements on road transportation with Belgium, Armenia, Serbia, Norway, Croatia, Albania, as well as revise agreements with China, Iran, Belarus, Ukraine, Moldova and Romania.

Local freight forwarders will be exempt from VAT for international transportation, which will increase their share to 45-50%. The freight forwarding market in Uzbekistan is estimated at $520 million, 90% of which is controlled by foreign companies.

The geopolitical situation has complicated cargo transportation, increasing delivery times and costs. The need to diversify foreign trade and simplify transit through alternative routes was emphasized. Turkmenistan-Iran-Turkey-EU, Turkmenistan-Azerbaijan-Georgia-EU, Andijan-Osh-Irkeshtam-Kashgar, as well as Uzbekistan-Afghanistan-Pakistan are designated as alternative transport corridors.

It is planned to double the volume of international cargo transportation and achieve the export of transport services at $3 billion.

To improve the quality of service for international carriers, it is planned to create 266 service points along the main highways, equip free parking areas for temporary parking of trucks, build campsites and logistics centres.

Electronic queue and online surveillance systems will be introduced at the "Davut-ota", "Gishtkuprik" and "Navoi" checkpoints.

3. Establishing and running a company

3.1 Establishing a company

Laws and regulations

The main legislation governing companies' establishment and operations in Uzbekistan includes the following:

- Law on Joint Stock Companies and Protection of Shareholder Rights
- Law on Limited and Additional Liability Companies
- Resolution of the Cabinet of Ministers on State Registration of Business Entities

Overview on the forms of corporate presence

- Foreign businesses may engage in entrepreneurial activities in Uzbekistan either by setting up a local legal entity or through alternative forms of presence, such as a permanent establishment (PE) or a representative office (RepOffice)
  In Uzbekistan, foreign investors typically establish either joint stock companies (JSCs) or limited liability companies (LLCs).

JSCs

- A Joint Stock Company (JSC) is a commercial legal entity with capital divided into shares that certify the ownership rights of shareholders. These shares can be listed on the Uzbek stock exchange and traded freely. JSCs are commonly used by entities such as financial institutions (e.g., banks and insurance companies), large manufacturers, and state-owned enterprises. Compared to other legal forms, JSCs are subject to more complex governance structures and stricter oversight from capital market regulators.

LLCs

- The Limited Liability Company (LLC) is among the most widely used and flexible business structures in Uzbekistan. The majority of foreign-invested enterprises in the country are registered as LLCs. Liability is limited to the company's assets, and members' voting rights correspond to the size of their ownership shares in the charter capital.
  Unlike JSCs, ownership in LLCs is based on participatory interests, not securities. LLCs are administratively simpler, with fewer governance requirements. Since July 2020, they can issue corporate bonds on the Uzbek stock exchange, though few have done so compared to JSCs.

PE

- A Permanent Establishment (PE) is not regarded as a separate legal entity but rather reflects the tax presence of a foreign company in Uzbekistan. It is typically used for single-purpose service projects, such as those in the oil sector, EPC contracts, or consulting services. One limitation of a PE is that it cannot obtain licenses for activities that require them. To establish a PE, the company must submit the necessary documentation to the appropriate district tax office.

RepOffice

- A Representative Office (RepOffice) is a branch of a foreign company that acts on behalf of and protects the interests of its parent entity. It does not have legal entity status and is not permitted to engage in commercial activities. To establish a RepOffice in Uzbekistan, companies must apply through the Ministry of Investments and Foreign Trade.

Company Registration in Uzbekistan

Looking to launch a business in Uzbekistan? This guide provides essential information to help you navigate the company registration process, including required steps and documentation.

Registering a company in Uzbekistan is a clear and efficient process, often completed within just one business day.

Below is a simplified breakdown of the key stages involved:

1. Preparation Phase
    - Choose a company name (must be unique; reserve it online)
    - Decide legal structure (e.g., LLC, JSC) and company address
    - Prepare foundation documents (charter, resolution, agreement if needed)
    - Foreigners must obtain a PINI (Personal Identification Number)
2. Registration Phase
    - Choose a taxation regime (turnover or general tax)
    - Submit documents online and pay the state fee
    - (375,000 UZS or ~30 USD ; 3,75m UZS or 300USD for foreign shareholders over 400m UZS capital)
    - Receive Certificate of Registration (within 1 business day)
3. Post-Registration Requirements
    - Obtain a Digital Signature (EDS) for reporting and online services
    - Order a company stamp
    - Open a corporate bank account (director must be present)
    - Contribute charter capital within 1 year (no minimum limit)
4. Additional Compliance
    - Identify the Beneficial Owner
    - Apply for work permits for foreign employees and directors
    - (first foreign director exempt for 3 months if capital > 400m UZS)
    - Obtain licenses for regulated activities (if applicable)
    - Update registration for changes (e.g., address, shareholders)

3.2 Public-Private Partnerships

Overview

- Since the adoption of the Law on Public-Private Partnerships in 2019, the Government of Uzbekistan has actively advanced PPP projects across various economic sectors to attract foreign direct investment (FDI) through transparent and efficient tendering and documentation processes. These partnerships are encouraged not only to secure international funding and cutting-edge technologies, but also to leverage global best practices and expertise in solving key social challenges. PPP initiatives offer mutual advantages to both public and private parties by enabling long-term profitability, sharing risks, and enhancing the management and efficiency of public infrastructure.
  The GoU’s political will to liberalise the economy is also reflected in its intention to attract $14bn of private capital to further develop infrastructure by 2026.
  The Public-Private Partnership Development Agency (PPPDA) maintains a comprehensive public registry of all PPP projects implemented in Uzbekistan, accessible at:
  https://www.pppda.uz/en/register/register-of-ppp-projects.

Laws and regulations

The Public Private Partnership (PPP) sector in Uzbekistan is mainly regulated by the following key laws and legal frameworks:

- Law on Public-Private Partnerships
- Resolution of the president "On measures for the development of Public Private Partnership in the Republic of Uzbekistan for 2024-2030"
- Resolution of the Cabinet of Ministers “On measures for further improvement and comprehensive systematization of the public-private partnership sector”

PPP project cycle

A PPP project can be initiated by either:
the Public Partner (a solicited project), or
the Private Partner (an unsolicited project).

Government institutions in charge Public-Private Partnership Development

- The Public-Private Partnership Development Agency (PPPDA), operating under the Ministry of Finance since its establishment in October 2018, is tasked with formulating unified PPP policies, evaluating proposed projects, approving tender documentation and partnership agreements, and supporting government bodies at all levels in executing PPP initiatives. Additionally, the agency collaborates with investors, international financial institutions, donor organizations, experts, and other market participants to advance PPP development, while safeguarding the rights and legal interests of all parties involved in PPP projects.

Ministry of Investment, Industry and Trade (MIIT)

- The Ministry of Investment, Industry and Trade (MIIT) is responsible for executing unified national investment policies and encouraging investment inflows. In the context of public-private partnerships (PPPs), its key roles include initiating, overseeing, and promoting projects, as well as facilitating agreements between the government, investors, and international financial institutions (IFIs).

Cabinet of Ministers of Uzbekistan (CM)

- The Cabinet of Ministers (CM) of Uzbekistan is the key government authority responsible for enforcing unified state policies in the area of public-private partnerships (PPPs). It also has the mandate to approve project concepts for PPP initiatives.

Ministries, agencies and legal entities

- The Cabinet of Ministers (CM) may designate a particular government body (such as the Ministry of Energy or the Ministry of Public Health) or another organization to serve as the public partner in a PPP project representing the Republic of Uzbekistan.

2021

- Tashkent district heating **$1.4bn**
- Upgrading of Samarkand Airport **$80m**
- National information system for monitoring products **$20m**
- Haemodialysis centres in Tashkent, Khorezm & Karakalpaksan **$10m**
- Complex for fish farm research institute Tashkent **$6m**
- Small scale SWM Tashkent & Chirchik **$9m**
- Small scale SWM in multiple regions **$6m**

2022

- 100 MW wind farm Karauzak **$110m**
- 500 MW solar in Khorezm, Bukhara and Namangan **$367m**
- Namangan wastewater treatment plant **$75m**
- Rehabilitation centre at clinical hospital **$6m**
- Construction of 16 schools in Tashkent region **$80m**
- 300 MW solar PV plant Guzar **$300m**
- Establishment of radiotherapy **$150m**

2023

- Establishment of student accommodation **$10m**
- 200 MW wind farm (EBRD II) **$260m**
- Modernisation of cogeneration power plants Tashkent **$780m**
- Modernisation of Tashkent Wastewater **$234m**
- Programme of 100 pre-schools (ADB) **$60m**
- Programme of 100 schools (IFC/EBDR) **$450m**
- Drinking water in Surkandarya **$150m**

2024

- 250 MW solar PV plant Ferghana **$250m**
- Establishment of thermal cogeneration station **$900m**
- Multidisciplinary hospital Ferghana **$75m**
- Haemodialysis centres roll-out programme (TBC) **$20m**
- Establishment of mult-profile hospital **$50m**
- Street lighting programme (TBC) **$30m**
- SWM in Tashkent city and region **$300m**
- Tashkent-Andijan toll road **$2.83bn**

2025

- Gas distribution in Tashkent **$100m**
- 700 MW wind farm (EBRD III) **$770m**
- Modernisation of heat supply system in Jizzakh and Bukhara **$450m**
- Irrigation & pumping station Karakalpakstan **$40m**
- Tashkent-Samarkand troll road **$1.37bn**
- Development of sports complexes **$100m**
- SWM and land fill in regions **$38m**
- Upgrading of Bukhara and Urgench airport (TBC) **$100m**

2026

- 5 City co0generation Nukus, Khorezm, Kuvasay, Bukhara, Fergana **$500m**
- Establishmant of Takhtakoracha tunnel **$484m**
- Electricit distribution in Tashkent **$100m**
- Mikara water pump irrigation project **$800m**
- Medical waste recycling (TBC) **$30m**
- Development of airport in Fegana (TBC) **$100m**

Estimated value of PPP programme (2021 - 2026)

2021	2022	2023	2024	2025	2026	Total
$1,531m	$1,088m	$1,884m	$4,455m	$2,968m	$2,014m	$13,940m

The general procedures for implementing both types of PPP projects—solicited and unsolicited—are outlined below.

Step	Action	Details
1.	**Identify the Initiator**	• Public Initiator**:** Government body or organization (e.g., ministry) • Private Initiator**:** Legal entity or individual entrepreneur
2.	**Develop the PPP Project Concept**	• Describe project goals and objectives • Financial & economic analysis (efficiency, investments, risks, etc.) • Terms of participation and types of support • Justification of social and economic feasibility • Access to services (if applicable)
3.	**Submit Concept for Review**	Submit to the authorized public body for evaluation and approval
4.	**Review of the Concept**	The authorized body may: • Approve • Reject • Return for revision
5.	**Approval of the Concept**	Based on project value: • Up to USD 1 million – approved by relevant public body • USD 1–10 million – approved with authorized body's consent • Over USD 10 million – approved by Cabinet of Ministers
6.	**Publication of the Concept**	Published on: • Website of public body • Website of authorized body • Specialized platforms Must include call for expressions of interest and prequalification (45-day deadline)
7.	**Response to Publication**	• If interest is shown → tender is held • If no interest → direct negotiations with private initiator
8.	**Tender Process (if applicable)**	• Single-stage • Tender documentation package provided • Submission deadline: at least 45 days • Winner selected based on legal criteria
9.	**Signing the Agreement**	• With the tender winner or private initiator (if no other bids) • Agreement draft must be approved by authorized body
10.	**Inclusion in the PPP Registry**	Project is registered in the State PPP Registry, published online

Recent project development with foreign investors

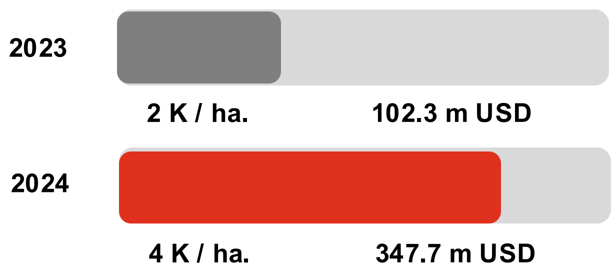
Various major PPP projects were recently implemented in Uzbekistan, focusing on renewable energy facilities, healthcare system improvements, rural area development, etc. The following are among the most notable:

- **ACWA Power (Saudi Arabia),** won the tender for the construction and operation of a 200 MW wind power plant with an integrated 100 MW energy storage system in the Republic of Karakalpakstan. The total investment for the project is $262.65 million.
- **NephroPlus (India),** winner of a PPP tender, launched operations at dialysis centers in Nukus (150 patients), Urgench district (125 patients), and Bogot district (125 patients) of the Khorezm region. The project has a 10-year implementation period.
- **Veolia (France),** began a 25-year PPP project on July 1, 2022, to modernize and manage Tashkent's district heating system. Over a 30-year period, the project includes upgrading 181 facilities, building 575.6 km of heating networks, and installing 51,500 heat units and 2.5 million hot water meters.

3.3 Privatisation

- The privatisation of state assets has played a key role in fostering economic growth, attracting investments, and enhancing the efficiency of property management in recent years. In accordance with privatisation programs, from 2021 to 2024, a total of 3,371 real estate properties with 3.4 million square meters of buildings and structures and 2,200 hectares of land were privatized and transferred to entrepreneurs, along with 503 state-owned enterprises. At the same time, during this period, entrepreneurs invested 4.1 trillion UZS and 633.3 million USD based on the privatized assets, resulting in the creation of 35,800 new jobs.

Privatisation of land plots



Source: UzSama (2024)

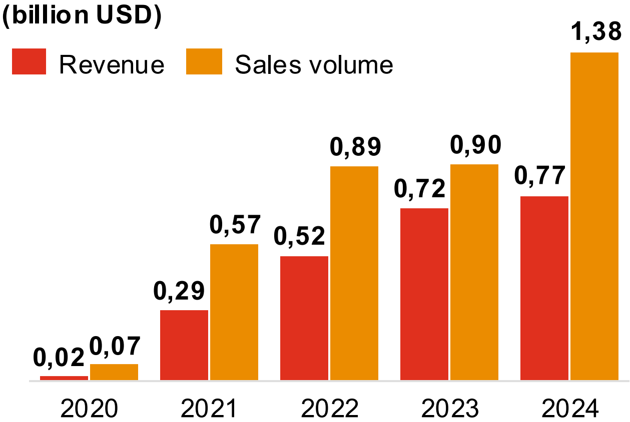
8 Fundamental Reforms for Companies Managed by the Ministry of Economy and Finance

In 2024, in accordance with privatisation programs, assets and land plots worth 24.4 trillion UZS (~1.9 billion USD) were put up for sale, of which assets and land plots worth 17.4 trillion UZS (1.4 billion USD) were privatized. In particular, under the privatisation programs, 6,760 state assets worth 18.4 trillion UZS were put up for sale, of which 3,158 assets worth 13 trillion UZS were sold.

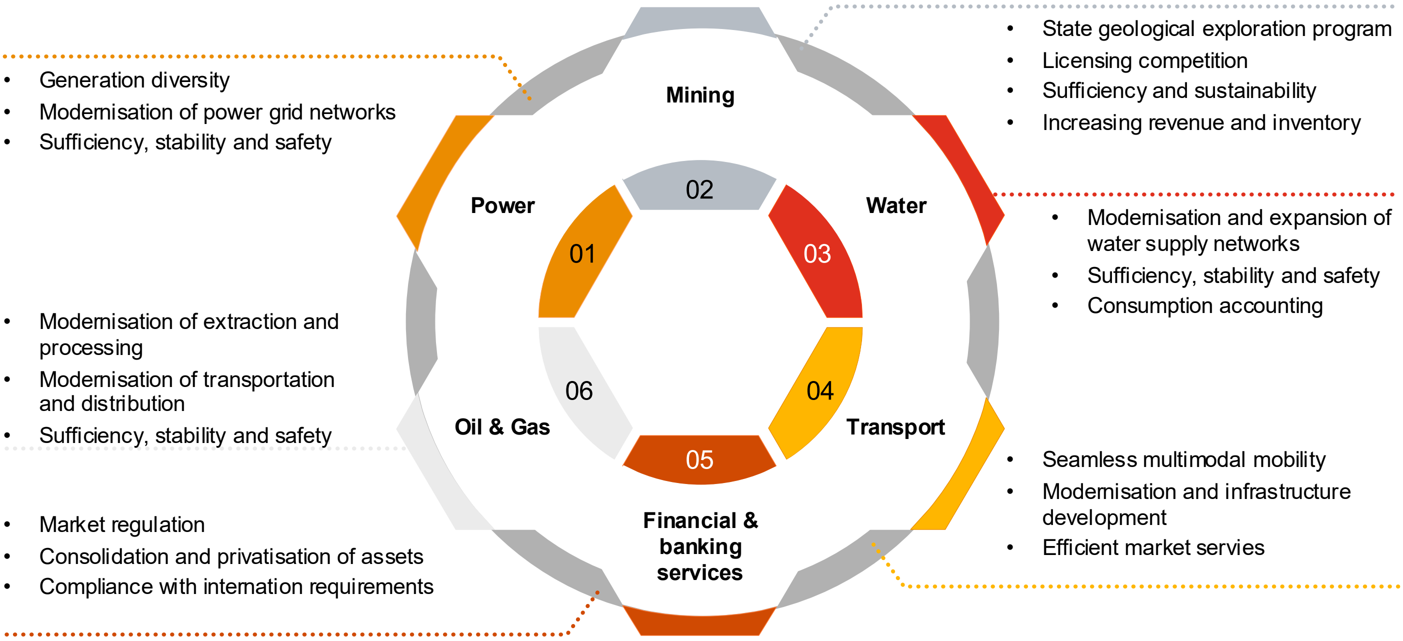
- National Interbank Processing Center JSC – 841 billion UZS (66m USD)
- Uz-Koram Kompani LLC – 307 billion UZS (24m USD)
- International Hotel Tashkent – 350 billion UZS (28m USD
- Former buildings and facilities of Sharq Publishing House – 300 billion UZS (34m USD)

- From 2021 to 2024, during the sale of state assets and land plots, as well as the leasing of state real estate, a total of 53 incentive and support measures were implemented. These measures resulted in 18,401 contracts worth 8.3 trillion UZS (~721 million USD), with 367 billion UZS in incentives provided.
  - 225 billion UZS from the sale of state assets (20 m USD);
  - 92.3 billion UZS from the sale of unutilized land plots (8 m USD);
  - 50.0 billion UZS from the leasing of state real estate (4 m USD.
- In addition, as a result of the procedures implemented in 2024 to simplify and accelerate the privatisation process of state property and land plots put up for sale, support measures worth 2.7 trillion UZS (213 m USD) were provided to entrepreneurs through the gradual reduction of the initial value of state assets.
- As of April 1, 2025, sales are ongoing for over 3,600 assets with a starting value of 18 trillion UZS (1.4. billion USD). For 440 state assets currently on sale, the price reduction mechanism was applied due to them remaining unsold for more than three months. Specifically: 65 assets had their prices reduced by 10–30%, 117 assets by 40–60% 153 assets by up to 70–90%.

Privatisation of state assets and revenue (billion USD)



Uzbekistan plans to privatize 29 state-owned enterprises through international offerings, including IPOs and SPOs for 12 major companies. Share offerings, initially set at 2-5%, are now increased to 10-25%. (Appendix 2,3).



Uzbekistan targets key sectors for infrastructure modernisation and privatisation

The process of privatising and transforming state-owned assets is focused on the six key sectors of the national economy. In the Power sector, efforts are concentrated on diversifying energy sources and upgrading grid networks for stability and safety. Mining aims for sustainable growth through geological exploration and competitive licensing, increasing revenue and inventory. The water sector prioritizes expanding and modernizing supply networks, ensuring efficiency and safety with comprehensive consumption tracking. Transport emphasizes seamless multimodal systems and infrastructure modernization for efficient market services. Meanwhile, financial and banking services target market regulation and asset privatisation, ensuring compliance with international standards. Lastly, the oil and gas sector focuses on modernizing extraction, processing, transportation, and distribution, maintaining sufficiency and safety. Together, these initiatives underscore Uzbekistan's commitment to infrastructure modernization and economic efficiency.

Franklin Templeton guides Uzbekistan's privatisation efforts

Templeton Global Investments, a subsidiary of Franklin Templeton (USA), has been appointed trustee of Uzbekistan's National Investment Fund (UzNIF). Established in August 2024, UzNIF will include minority stakes in 18 major state-owned enterprises and banks, valued at approximately $1.5 billion by Franklin Templeton. These include entities like Navoiyazot, Uzbekistan Airways, and various banks, among others. The fund's key objectives are increasing the market value of its net assets, listing shares on leading international stock exchanges, and attracting major institutional investors for participation in privatisation processes. Franklin Templeton will manage the investment portfolio, focusing on transformation programs to enhance investment appeal. This includes implementing global standards in corporate governance, financial efficiency, internal audits, risk management, and employee development.

4. Tax and customs

4.1 Tax regime

Tax incentives, Corporate Taxation and Foreign Workers Taxation.

In general, businesses operating in Uzbekistan pay taxes either under the standard tax regime or special tax regime.

1. Standard tax regime envisages payment of range of taxes, including the following:Corporate income tax (CIT), including withholding tax;
2. Value added tax (VAT), including VAT on imported goods/ services;
3. Personal income tax (PIT);
4. Social tax (ST);
5. Property tax;
6. Land tax;
7. Water use tax;
8. Excise tax;
9. Subsurface use tax.
10. Special rent tax (entities engaged in extraction of ferrous metals and hydrocarbons).

Relevant legislation may also establish certain duties and payments.

For details, refer to Table.

	Tax	Taxpayers	Taxable base	Rate
1.	**Corporate income tax**	Legal entities having taxable income, non-residents acting in Uzbekistan via a permanent establishment (PE)	Taxable profit calculated as a difference between taxable revenue and deductible expenses. The taxable base can be reduced by a number of losses, accumulated in previous periods	General rate - 15%; other rates may apply depending on type of activity, e.g., 20% for cement / polyethylene granules production, mobile communication services, banks, markets and shopping malls
2.	**Withholding tax**	Foreign legal entities and individuals receiving income from Uzbekistan	Uzbek-sourced income paid to non-resident	dividend, interest - 10%; insurance premiums - 10%; telecom, transportation - 6%; other (royalty, rent, etc.) - 20%. Rates may be reduced under double tax treaties between Uzbekistan and treaty partner country
3.	**Value added tax (incl. reverse-charge VAT)**	Uzbek legal entities, non-residents acting in Uzbekistan via PE	Turnover from sales of goods and services, import of goods and services	General rate - 12%; 0% rate applies to certain supplies
4.	**Personal income tax**	Personal income tax (withheld by employers from total income)	Individuals earning taxable income - employer shall be a withholding agent	Employment income: 12% for both tax residents and non-residents;
5.	**Social tax**	Employers, recipients of seconded personnel	Employment income paid to employees. Secondment fees paid to secondment provider	General rate - 12%
6.	**Property tax**	Legal entities of the Uzbekistan having taxable property on the territory of Uzbekistan	Average annual net book value of immovable property, overdue construction-in-progress	General rate - 1.5%; double rate may apply in certain cases (e.g. overdue construction-in-progress
7.	**Land tax**	Legal entities / individuals owning, using or renting land plots	Total area of a land plot	Rates vary depending on the location of land and the type of land
8.	**Water use tax**	Legal entities – residents of Uzbekistan, non-residents acting in Uzbekistan via PE	Volume of water used	Rates vary depending on type of activity and type of water source. In general, the tax rate for enterprises across all sectors of the economy, excluding power stations and public utility companies, is calculated as follows: • Surface water resources: 700 sums per cubic meter • Underground water resources: 850 sums per cubic meter
9.	**Excise tax**	Legal entities producing, selling or importing excisable goods	Tax base depends on type of goods/services, e.g., volume of excisable goods in kind / value of excisable goods sold	Rates vary depending on type of goods/services
10.	**Subsurface use tax**	Legal entities/individuals engaged in search, exploration of minerals and artificial (man-made) mineral formations as well as processing of those minerals in Uzbekistan	Volume of minerals extracted	Rates vary depending on type of the mineral
11.	**Special rent tax**	Legal entities engaged in the extraction on the licensed subsoil areas where extraction will start after 31 December 2025	Net present value of the extraction operation in the licensed subsoil area subject to uplift of historical costs and previous years losses at a rate about 10%, which could be done annually until the losses are fully utilized	25% of the income less CAPEX (subject to uplift) and OPEX on cash-flow basis.

4.2 Tax and customs incentives

The tax incentives are normally provided under the Tax Code (there are certain exceptions, however).

Below is an overview of the major tax and customs incentives available under the statutory legislation:

Object of incentives	Nature of incentives	Eligibility requirements	Duration/expiration date
SEZ participants	Exemption from • Property tax • Land tax • Water usage tax	• Production of export-oriented goods • Alignment of projects with technical and environmental regulations and energy-efficiency requirements • Alignment with the functional and industrial specialization of the FEZ • Ensuring that 90% of personnel are local workers	• 3 years: investment of 300 K to 3 M USD • 5 years: investment of 3 M to 5 M USD • 7 years: investment of 5 K to 10 M USD • 10 years: investment of more than 10 M USD
	Exemption from Corporate income tax		• 3 years: investment of 3 M to 5 M USD • 5 years: investment of 5 M to 15 M USD • 10 years: investment of more than 15 M USD
	Exemption from • Customs dues (except for VAT and customs processing fees)	• Materials not produced in Uzbekistan and used in a project's construction phase • Technological equipment not produced in Uzbekistan as per the approved list • Raw materials and components used to produce export-oriented goods	Unlimited
Investment agreement parties	When not specified in legislation, the nature of incentives may vary, depending on the project's • volume of investment, • location, • industry, • and socioeconomic impact and job creation	Specified upon conclusion of the investment agreement	Specified in the investment agreement
Production sharing agreement ("PSA") participants	Should be determined by the PSA terms	Specified upon conclusion of the PSA	Specified in the investment agreement
Specific territories in the Fergana region (the Sokh district; the Chungar mahalla in the Rishtan district; the Shakhimardan mahalla; and the Yordan, Tashtepa, and Khosilot mahallas)	1% CIT rate	Registering and carrying out activities in a specific territory	Unlimited
	1% rate turnover tax		
	1% social tax rate on payroll of employees working in a specific territory	Engagement of employees in activities in a specific territory	
	Applications of 0.1 coefficient on property tax and land tax rates, respectively	Location in a specific territory	
	Applications of 0.1 coefficient on water usage tax rate	Usage of water resources in a specific territories	
	1% PIT rate	Individuals engaged in employment activities in a specific territory	
Tax benefits for newly established business entities in the Republic of Karakalpakstan	50% reduction of the following taxes: • property tax • land tax • turnover tax • CIT • water tax	Newly established entities designated as "points of growth" for all districts and cities of the Republic of Karakalpakstan by decree of the President of Uzbekistan	until 1 January 2027

4.3 Custom regulations

Customs regulations are founded on the core principles and standards outlined in Article VII of the 1994 General Agreement on Tariffs and Trade (GATT), the related Agreement on its application, and the customs procedures set forth in the 2008 Kyoto Convention on the Simplification and Harmonization of Customs Practices.

Under the Customs Code, the import of goods into Uzbekistan may be subject to the following types of customs duties and charges:

Type of payment	Rate
Customs duty	The customs duty rate as a percentage of the customs value of the goods is determined according to the special list (ranging from 0% to 70%, depending on the type of goods). The import of technological equipment, the analogues of which are not produced in Uzbekistan (per the list approved under Cabinet Decree #352 dated 4 June 2021), is exempt from VAT and customs duties.
Excise tax	Rates variable depending on the type of goods imported • the excise tax on mobile communication services has been abolished, previously it was 10% • the rates on petroleum products have been indexed, and from April 1, 2025, the rates on petroleum products have increased by 10%. • the tax rate on the sale of natural gas extracted in Uzbekistan has been reduced from 20% to 12%. Additionally, a tax has been introduced on the sale of imported gas at the same rate of 12%. However, the tax is not applied on the import of gas.
Other fees, including customs clearance fees	1 - 25 BCU, depending on the value of goods
VAT	12%, unless eligible for exemption

Until 1 January 2028, the sale of goods and services, as well as the import of goods by budgetary organizations, state unitary enterprises, and legal entities with more than 50% state ownership, will be exempt from VAT for infrastructure projects funded by state external borrowings, from international financial institutions, and foreign government financial institutions. It is established that this exemption also applies to other project participants (though there are no details regarding which specific participants are meant).

Trade benefits under international agreements

CIS Free Trade Zone Agreement (FTZA) and free trade regime countries

Imports from CIS Free Trade Zone member states (including Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, and Ukraine), as well as from countries with which Uzbekistan has a free trade agreement (such as Azerbaijan and Georgia), are exempt from customs duties.

Most-favored-nation (MFN) regime

Goods imported from countries that maintain Most Favoured Nation (MFN) status with Uzbekistan (see Appendix 1) are subject to standard customs duties, regardless of the country of dispatch or the exporter. Uzbekistan has established MFN agreements with 47 partner countries, including all 27 EU member states, China, the United States, and Turkey.

The import of goods that do not fall under the above criterion is subject to customs duties at a doubled rate (unless eligible for customs duty exemptions).

EU GSP+

Шn 2021, Uzbekistan gained beneficiary status under the GSP+ special incentive arrangement, granting it duty-free access to the EU market for exports of more than 6,200 product categories.

5. Tax and customs

5.1 The Legal Framework of the Republic of Uzbekistan

Section	Description
Main Law	The Law of the Republic of Uzbekistan on Investments and Investment Activities governs domestic and foreign investments. It establishes principles such as legitimacy, transparency, freedom, fairness, equality, non-discrimination, and good faith.
Definition of an Enterprise with Foreign Investments	A legal entity with a charter capital of at least 400 million UZS (approximately 35,000 USD), with at least 15% of shares held by foreign investors.
Investor Guarantees	General rights, free use and transfer of funds, return of foreign investments upon termination, protection against unfavorable legislative changes, transparency, additional guarantees, and protection against conflicting legal provisions.
Bilateral Investment Treaties (BITs)	Uzbekistan has signed BITs with 57 countries, 49 of which are currently in force, serving as additional regulation for investment activities.
Other Legislative Acts	Several laws govern specific investment areas: • Civil Code: regulates most transactions • Law on Special Economic Zones (SEZs): incentives for SEZ projects • Law on Public-Private Partnerships: investor rights and state support • Law on Investment and Mutual Funds: diversified investment options • Law on Production Sharing Agreements: foreign mining investments • Law on Licensing: licensing and permit procedures • Law on Nature Conservation: environmental protection and resource use.
Dispute Settlement	Local and foreign companies may use: • State courts • Arbitration • Mediation
State Courts	The Uzbek judicial system includes the Constitutional Court, Supreme Court, Military Courts, as well as Administrative, Civil, Criminal, and Economic Courts at different levels.
Judicial Assembly for Investment Disputes and Competition Cases	Established in 2020. Resolves disputes between major investors (those with investments exceeding $20 million) and state authorities. Acts as a court of first instance upon investor request.
Domestic Arbitration	Non-governmental bodies resolving civil disputes between business entities under Uzbek law. Divided into temporary and permanent arbitration courts.
International Commercial Arbitration	Governed by the Law on International Commercial Arbitration (2021). Provides a framework for international arbitration and ensures recognition and enforcement of foreign arbitral awards. Uzbekistan is a member of ICSID and a signatory to the New York Convention.
Tashkent International Arbitration Centre (TIAC)	Provides arbitration and mediation services to domestic and foreign businesses, aiming to prevent and resolve investment-related disputes, including investor-state disputes.

5.2 Appendix 1

List of countries with which Uzbekistan has a most-favored-nation status:

Austria	Egypt	Lithuania	Turkey
Afghanistan	Israel	Malta	Finland
Bangladesh	India	Luxembourg	France
Belgium	Indonesia	Netherlands	Croatia
Bulgaria	Ireland	Portugal	Czech Republic
Brazil	Spain	Pakistan	Sweden
United Kingdom	Italy	Poland	Switzerland
Hungary	Jordan	Slovenia	Estonia
Vietnam	Cyprus	Romania	Japan
Germany	South Korea	Slovakia	Saudi Arabia
Greece	China	Singapore	Malaysia
Denmark	Latvia	USA	

5.3 Appendix 2

List of companies with equity stakes offered for public sale

"Uzagrosugurta" JSC	"UMS" LLC	"UzAuto Motors" JSC	"UzAuto Motors Powertrain" JSC
EIIC "Uzbekinvest" JSC	"Uzbekistan GTL" LLC	“Uzbekhydroenergo” JSC	"Uztransgaz" JSC
"Maxsusenergogaz" JSC	"Turakurgan Thermal Power Station" JSC	"New Angren Thermal Power Station" JSC	"Angren Thermal Power Station" JSC
"Syrdarya Thermal Power Station" JSC	"Muborak Thermal Power Center" JSC	"Fergana Thermal Power Center" JSC	"Tashkent Thermal Power Center" JSC
"Tashkent Thermal Power Station"	"Navoi Thermal Power Station"	"Takhiatash Thermal Power Station"	"Texnopark" LLC
"Uzbek Leasing International" JSC	"Uzagroleasing" JSC	"Tashkent Tractor Plant" LLC	"Sherobod Cement Plant" LLC
"Yulkurilish" JSC	"Uzsuvqurilish" JSC	"Shargunkumir" JSC	"Uzmetkombinat" JSC
"Navoiyazot" JSC			

Source: Decree of the President of the Republic of Uzbekistan (2025)

5.4 Appendix 3

List of major state-involved enterprises planned for (IPO) and/or (SPO) on domestic and international stock markets

JSC "Navoi Mining and Metallurgical Company"	JSC "National Investment Fund of the Republic of Uzbekistan"	SE "Navoiyuran"	JSC "Uzbekistan Airways"
JSC "Almalyk Mining and Metallurgical Complex"	JSC «National Electric Grid of Uzbekistan»	JSC "Uzbektelecom"	JSC "Uzbekhydroenergo"
JSC "Regional Electric Networks"	JSC "Uztransgaz"	JSC "Uzbekistan Airports"	JSC "Hududgazta'minot"

Source: Decree of the President of the Republic of Uzbekistan (2025)

5.5 Appendix 4

List of main transport corridors and foreign trade routes involving the republic of Uzbekistan

Name of Transport Corridor / Trade Route	Distance (km)	Transit Time	Average Transport Cost (Road, 20–22 tons, one way, USD)
Southern and South-Western Direction			
Termiz Cargo Center – Hairatan – Mazar-i-Sharif	85	1 day	$100 per 40-ton railcar, $50 per 20-ton railcar
Tashkent – Bukhara – Turkmenabad – Mary – Sarakhs – Port of Bandar Abbas	3,065	6–7 days	$2,400–2,500
Tashkent – Bukhara – Turkmenabad – Mary – Sarakhs – Port of Mersin (Turkey)	4,080	12–14 days	$3,000–3,100
Tashkent – Bukhara – Turkmenabad – Mary – Sarakhs – Istanbul – Sofia	5,156	14–15 days	$4,000–4,200
Northern and North-Western Direction			
Tashkent – Kungrad – Beineu – Saratov – Moscow – Port of Riga/Liepaja (Latvia) or Vilnius	4,781 (Riga) 4,857 (Vilnius)	10–14 days	$2,000–2,200
Tashkent – Kungrad – Beineu – Saratov – Smolensk – Brest – (then Poland, Germany, France, Spain, etc.)	4,421 (Minsk) / 4,800 (Warsaw) / 5,400 (Berlin) / 6,493 (Amsterdam) / 6,842 (Paris) / 8,117 (Madrid)	9–19 days (varies by destination)	$2,200–3,200
Tashkent – Kungrad – Beineu – Astrakhan – Volgograd – Kyiv – Chop – (then Poland, Czechia, Austria, Slovakia, etc.)	4,140 (Kyiv) / 5,400 (Prague, Vienna, Bratislava)	9–15 days	$2,200–3,200
Tashkent – Kungrad – Beineu – Astrakhan – Tbilisi – Batumi – Trabzon – Samsun – Istanbul	5,500 (Sofia) / 5,600 (Bucharest)	14–15 days	$4,000–4,200
Western Direction			
Tashkent – Kungrad – Beineu – Aktau – Baku – Tbilisi – Poti – (then Bulgaria, Romania, etc.)	4,558 (Constanța) / 4,645 (Burgas)	19–21 days	$4,500–4,600
Tashkent – Bukhara – Turkmenabad – Mary – Turkmenbashi – Baku – Tbilisi – Port of Poti (to Bulgaria, Romania, Hungary, etc.)	4,233 (Constanța) / 4,320 (Burgas)	19–21 days	$4,700–4,800
Eastern Direction			
Tashkent – Almaty – Khorgos (Altynkol) – Ürümqi	1,850	5 days	$2,900–3,000

Source: UNESCAP (2024)

Thank you!