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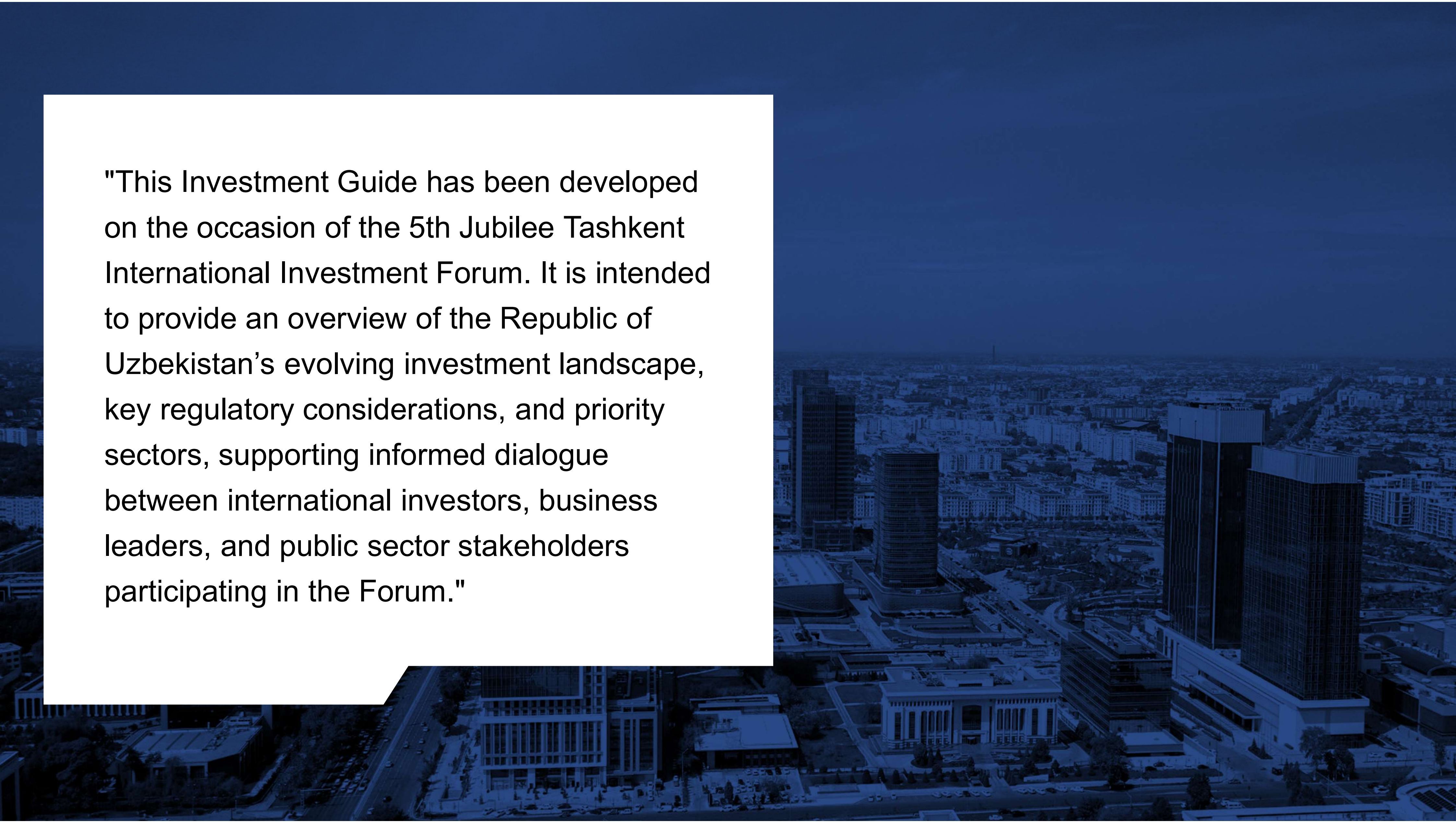
TASHKENT INTERNATIONAL INVESTMENT FORUM
Ministry of Investment, Industry and Trade of the Republic of Uzbekistan
Invest Uzbekistan

Investment Guide Uzbekistan

Guide was developed for the 5th Jubilee Forum

June 2026



"This Investment Guide has been developed on the occasion of the 5th Jubilee Tashkent International Investment Forum. It is intended to provide an overview of the Republic of Uzbekistan's evolving investment landscape, key regulatory considerations, and priority sectors, supporting informed dialogue between international investors, business leaders, and public sector stakeholders participating in the Forum."

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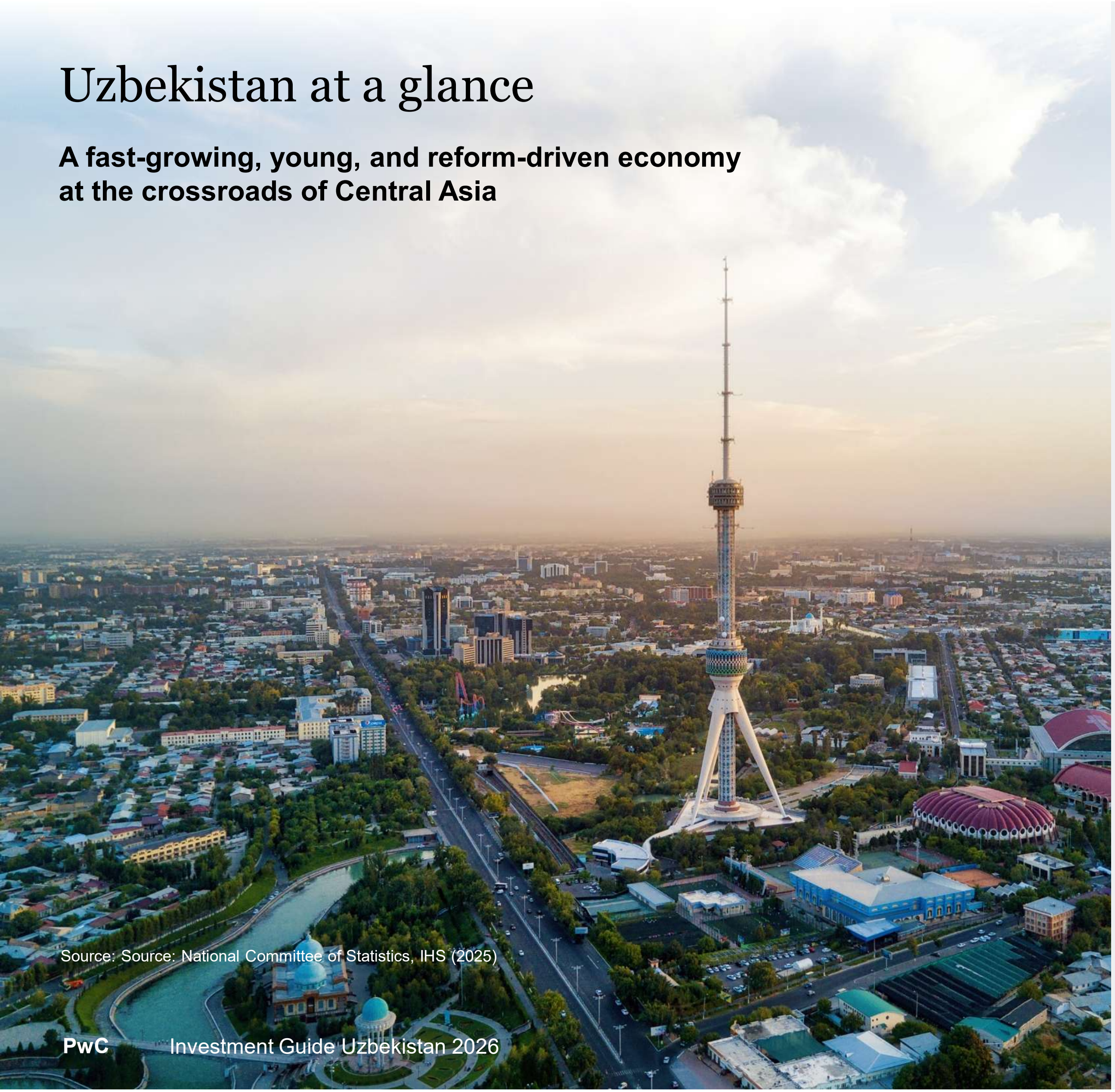
Country snapshot

Uzbekistan at a glance

A fast-growing, young, and reform-driven economy at the crossroads of Central Asia



Source: Source: National Committee of Statistics, IHS (2025)

Strategic Gateway in Central Asia

Uzbekistan — Central Asia's most populous nation (**38.4 mn, +2% y/y**) — occupies a unique geographic position bordering five countries, offering investors a gateway to a regional market of over 80 million consumers.

With a territory of **448,980 sq. km** and Tashkent as its economic hub, the country is actively addressing its double-landlocked status through ambitious connectivity programs.

~6%

Average annual GDP growth (2022-2030)

+$43.1 bn

Attracted foreign investments (2025)

60%

Under the age of 30 (2025)

Strong fundamentals backing a transforming economy

20.3 mn
Total labour force (1H 2025)

$87.5 bn
Industrial production (2025)

$68.99 bn
Total international reserves (Apr 2025)

4.8%
Unemployment rate (2025)

$81.2 bn
Foreign trade turnover (2025)

31.9%
Public debt / GDP ratio (2025)

Source: Source: National Committee of Statistics, IHS (2025)

Energy Transition

Targeting 25 GW of renewable energy capacity and a 54% renewable share in total consumption, creating large-scale opportunities in solar, wind, and green hydrogen.

Infrastructure and connectivity

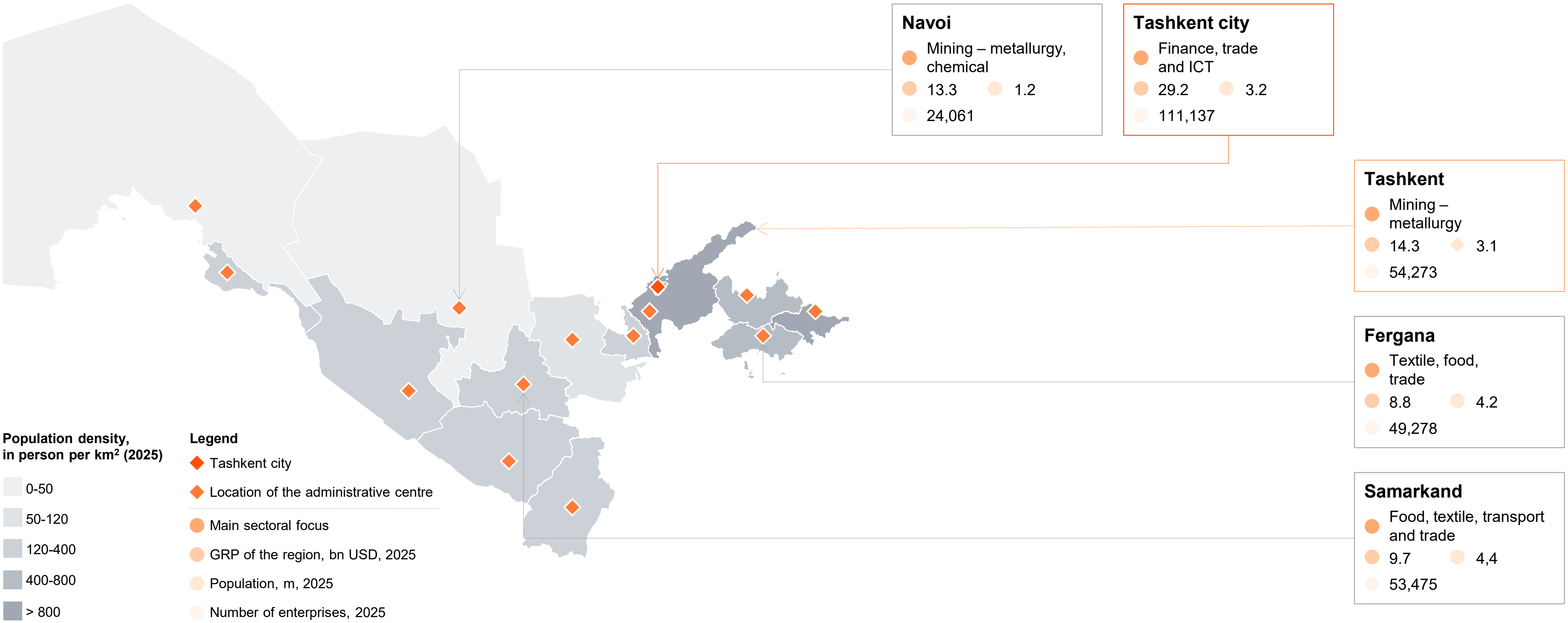
Landmark initiatives including the New Tashkent City, modernization of the national airport network, and 61,500 km of road construction/ rehabilitation by 2030 to unlock the country's transit potential.

Privatisation and SOE Transformation

A $30 bn pipeline of PPP and privatization opportunities through 2030, spanning energy, transport, healthcare, and essential services — signaling the government's commitment to private sector-led growth.

14 regions, 14 investment stories

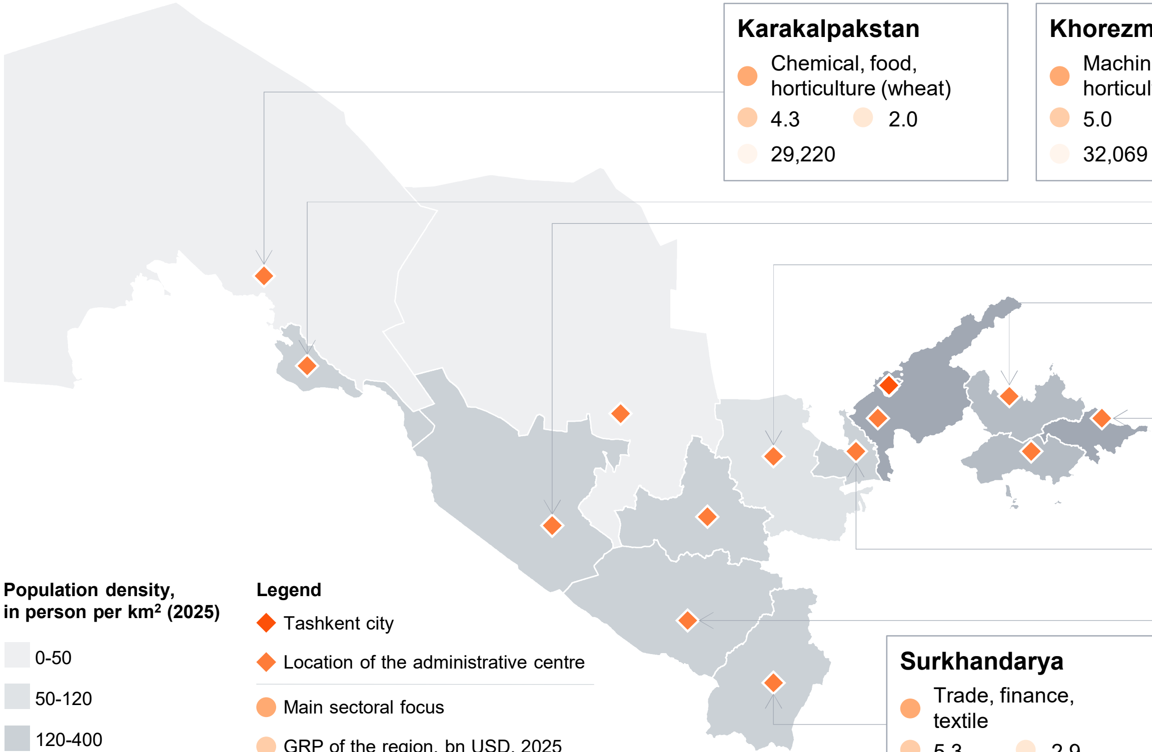
A geographically diversified economy with clear sectoral specializations



Source: SA (2025)

14 regions, 14 investment stories

Sector-focused regions enabling diversified investment strategies



Karakalpakstan
Chemical, food, horticulture (wheat)
4.3 | 2.0
29,220

Khorezm
Machinery, textile, horticulture (vegetables)
5.0 | 2.1
32,069

Bukhara
Textile, trade, oil processing
6.9 | 2.1
34,902

Jizzakh
Construction materials, livestock
4.2 | 1.6
26,468

Namangan
Textile, food, trade
6.8 | 3.2
33,776

Andijan
Machinery, textile, trade and finance
8.6 | 3.5
35,500

Surkhandarya
Trade, finance, textile
5.3 | 2.9
32,023

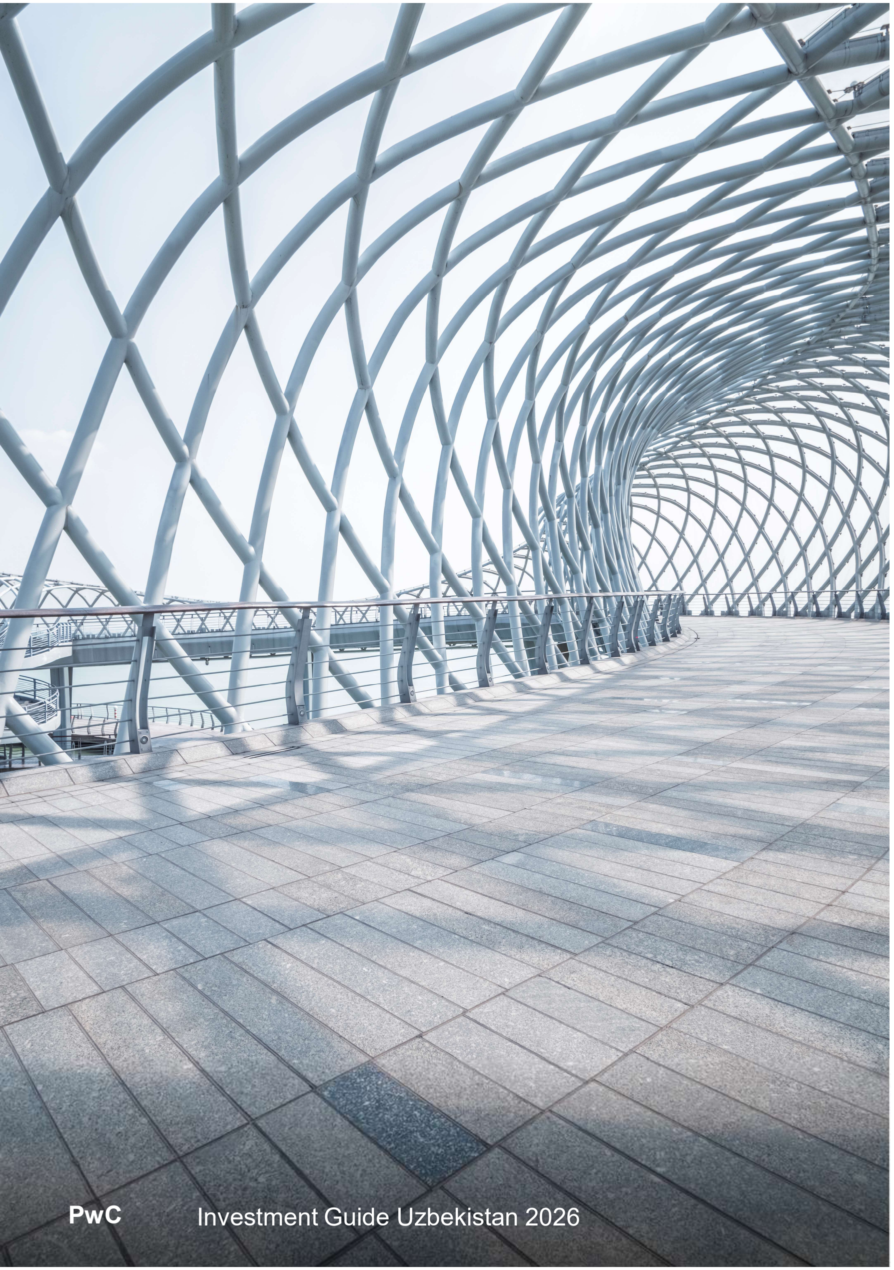
Kashkadarya
Textile, chemical, trade
7.9 | 3.7
44,055

Syrdarya
Food, livestock
2.8 | 0.94
16,557

Population density, in person per km² (2025)
- 0-50
- 50-120
- 120-400
- 400-800
- > 800

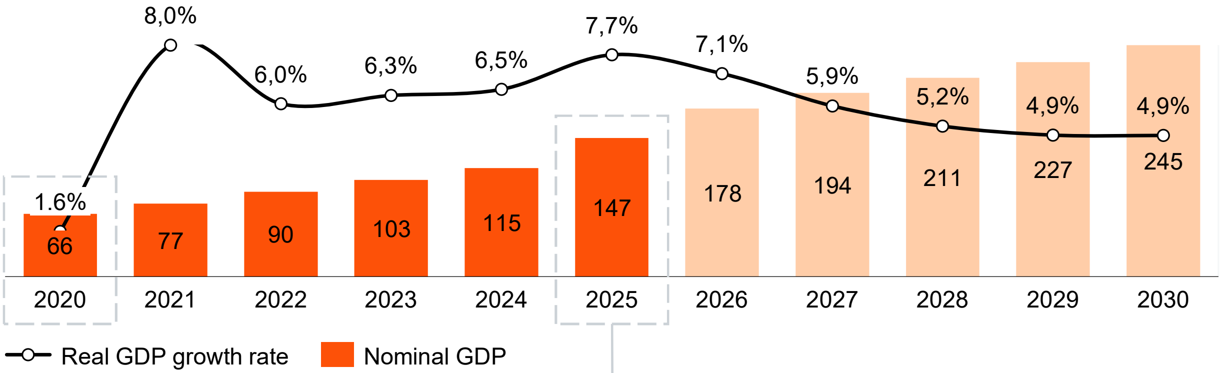
Legend
- Tashkent city
- Location of the administrative centre
- Main sectoral focus
- GRP of the region, bn USD, 2025
- Population, m, 2025
- Number of enterprises, 2025

Source: SA (2025)

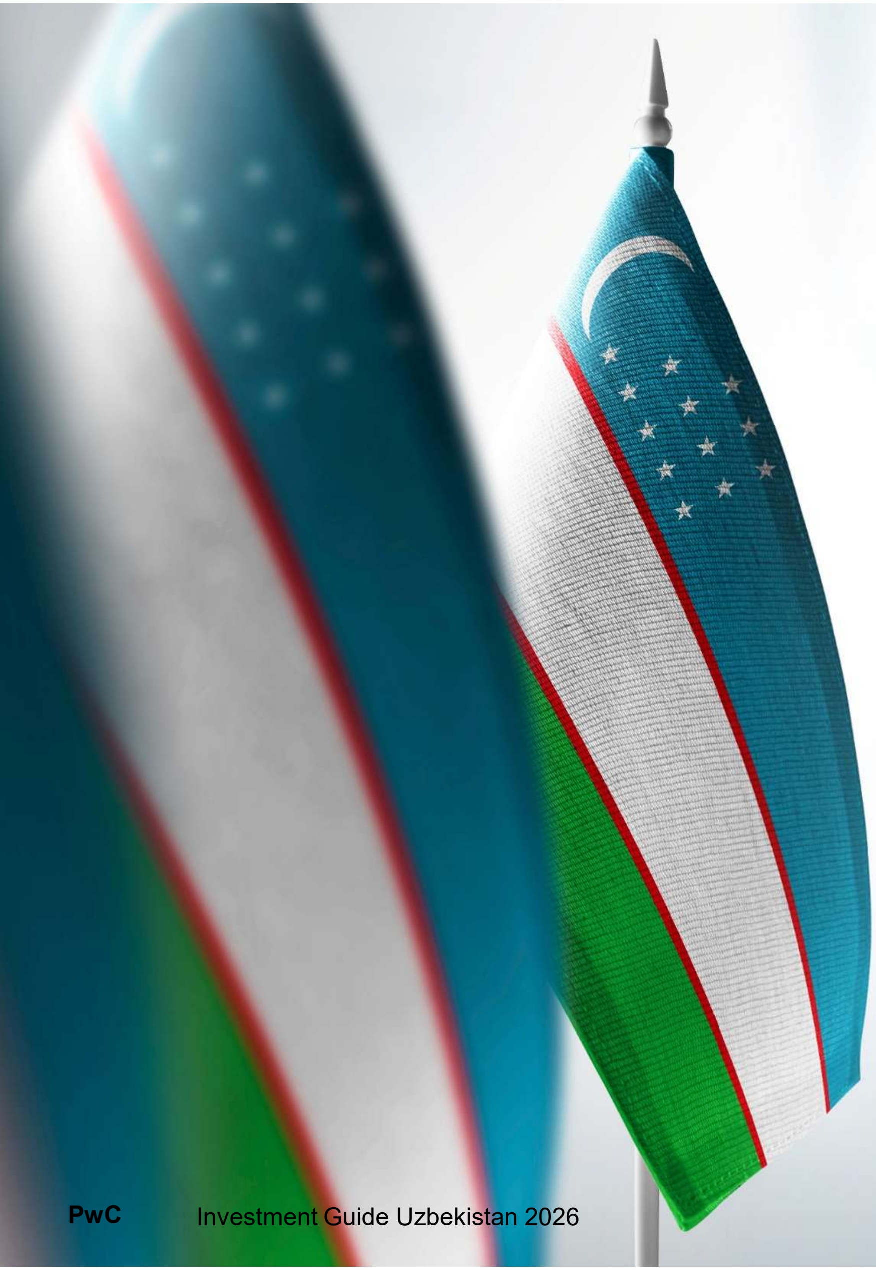


Uzbekistan: a $147bn economy on the rise

GDP Volume and Growth Rate (2020–2030), USD billion and %



Uzbekistan's nominal GDP reached **$147 bn** in 2025 — a **2.2x** increase from $66 bn in 2020 — driven by a mutually reinforcing cycle of structural reforms and private sector expansion.



A clear trajectory toward investment-grade status

GDP is projected to reach $245 bn by 2030, with real growth stabilizing at a sustainable ~5% corridor — consistent with the economy's transition from a recovery phase to a structural growth trajectory.

Capital formation surge:

Fixed capital investment grew

2.3x,

fueled by large-scale infrastructure modernization, housing, and industrial projects

Credit-driven demand:

Lending growth of

11.6%

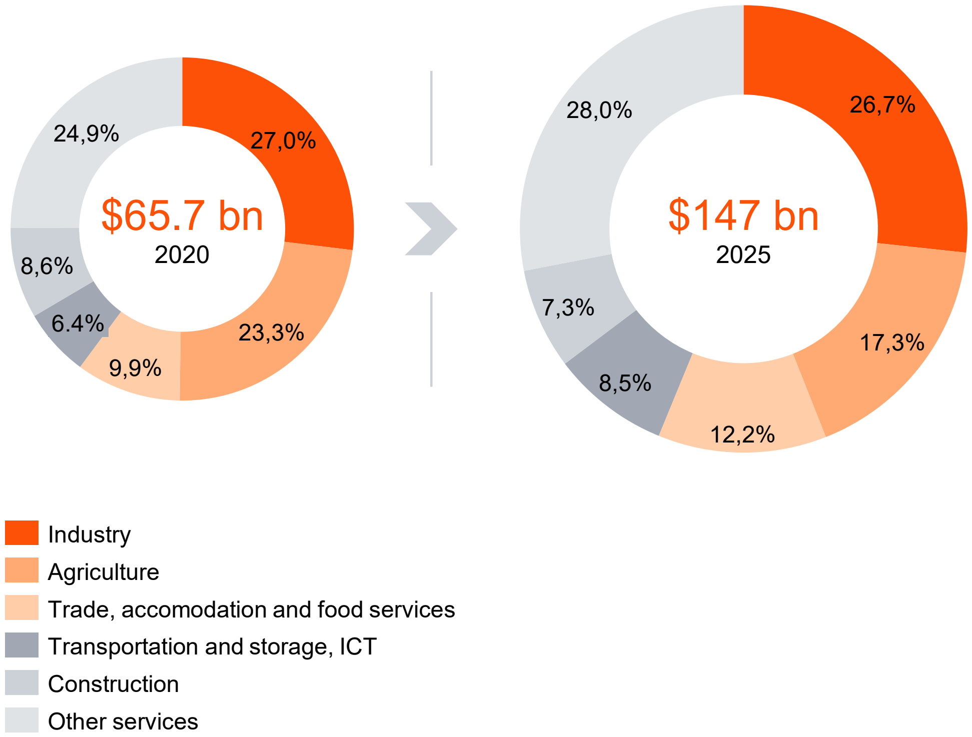
is accelerating both business investment and private consumption (+7.5%)

Reform momentum:

Privatization, market liberalization, and a strengthened regulatory framework continue to build investor confidence

Sustained rating upgrades signal growing confidence

GDP by sectors, % and USD bn



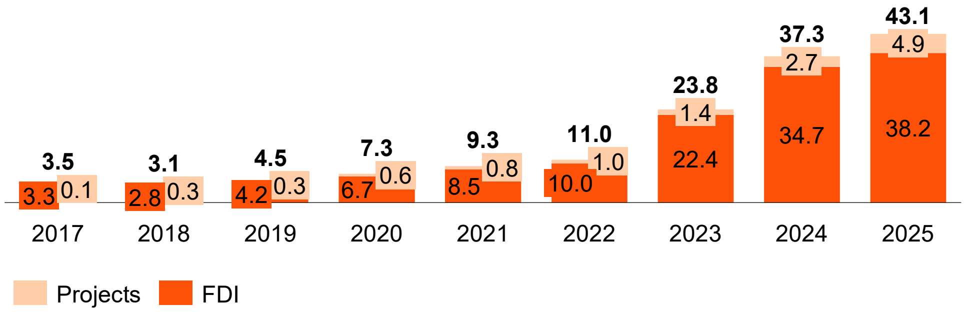
	2024	2025
MOODY'S	Ba3 (stable)	Ba3 (positive)
S&P Global	BB- (positive)	BB
FitchRatings	BB- (stable)	BB

Foreign investment inflows surged 6x since 2020 to $43.1 bn, with manufacturing, energy, and mining accounting for nearly two-thirds of all investment

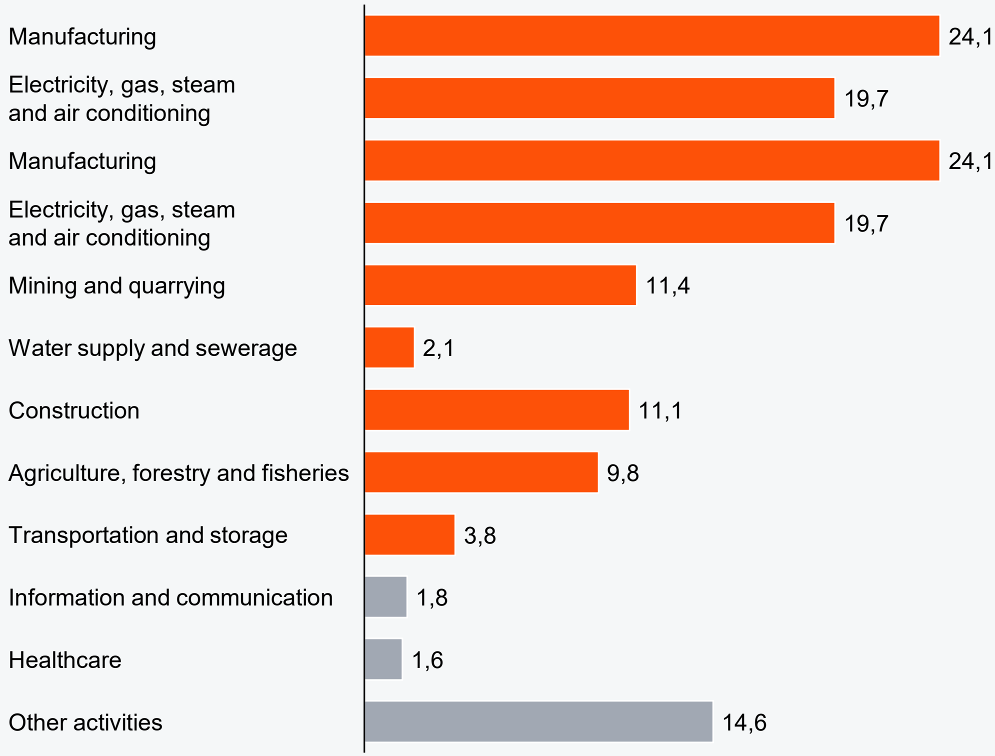
FDI inflows in 2017–2025, USD million

Foreign investment inflows have undergone a structural step-change since 2020. This trajectory reflects a compounding effect of:

- Privatization and market opening — creating new investable assets at scale
- A $250 bn total investment project portfolio – through 2030 under the "Uzbekistan-2030" strategy, targeting $110 bn in foreign investment and $30 bn through PPP mechanisms
- Diversifying investor base: China (44.4%), Russia (12.6%), Turkiye (7.6%), Saudi Arabia (7.3%) and Germany (4.6%)

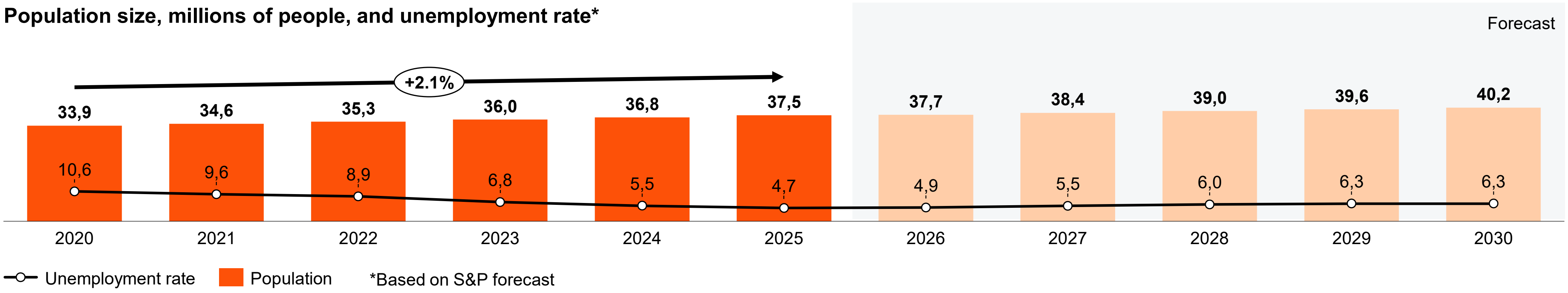


Investment structure in 6M 2025, %

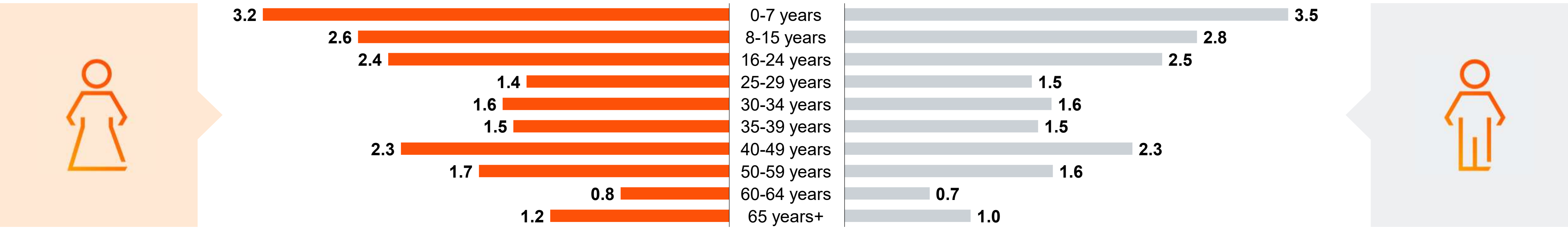


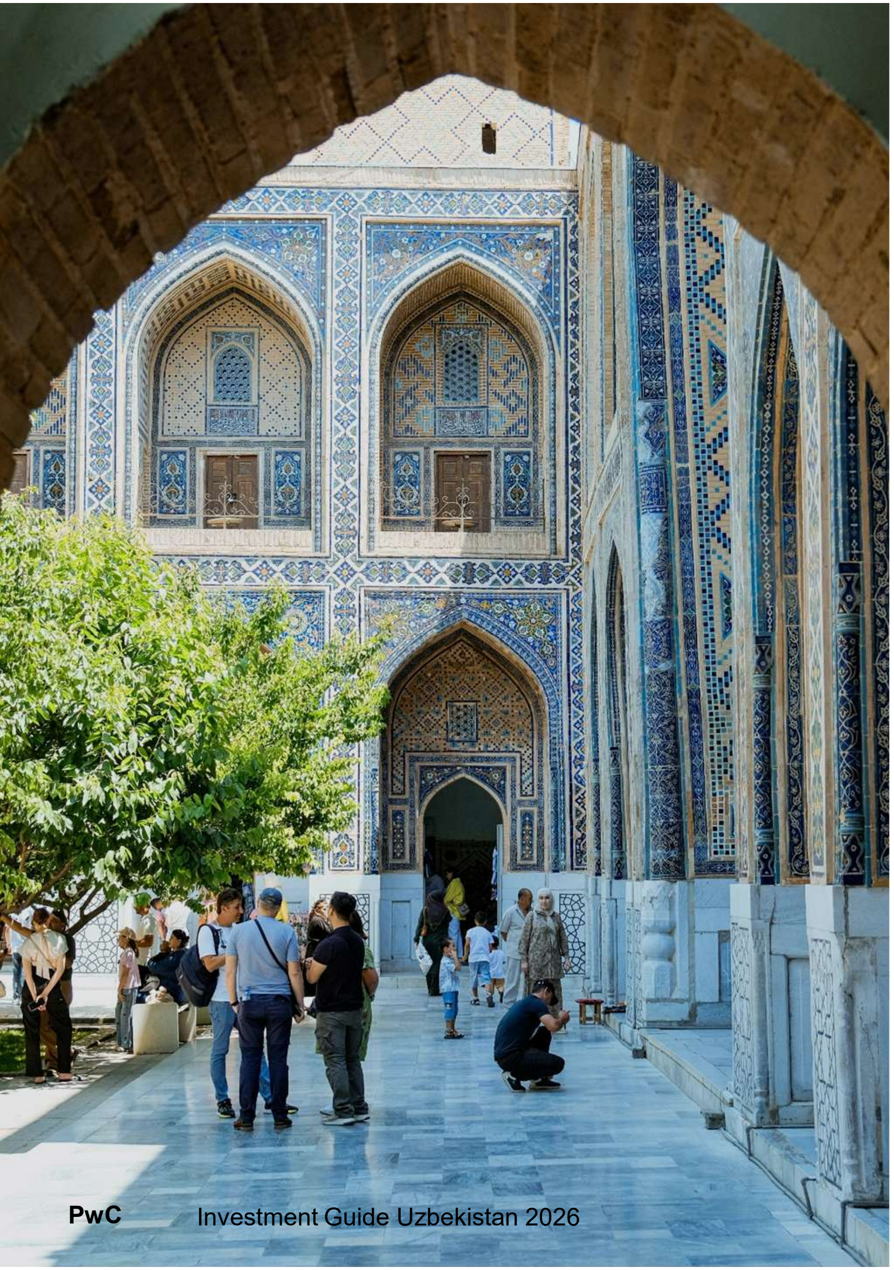
A 40-million-strong, young, and rapidly urbanizing population provides investors with a durable demographic dividend through 2030 and beyond

Population size, millions of people, and unemployment rate*



Population by age group, millions of people (2025)





Structural population trends supporting workforce expansion and urbanization

2% **annually**

Population growth (CAGR)

-5% **annually**

Unemployment rate (CAGR)

56%

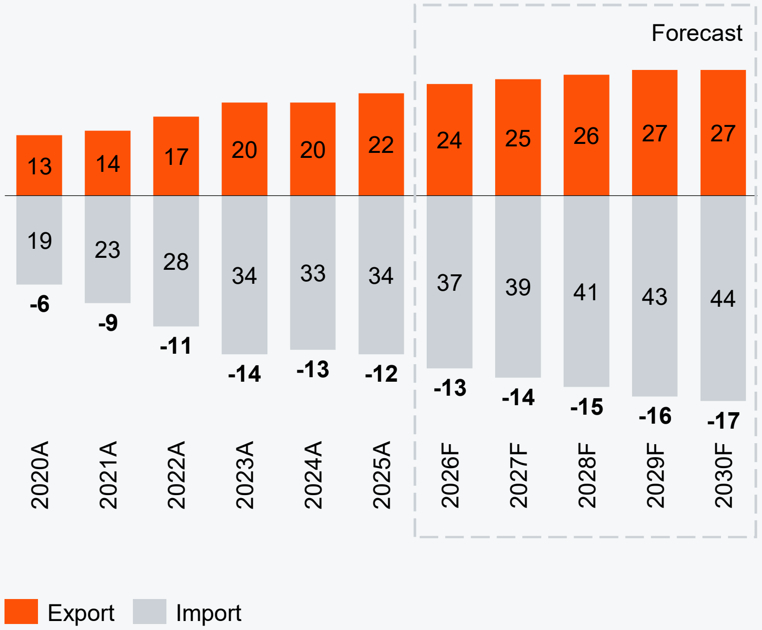
Working-age population share (2025)

61%

Urbanization rate (2030 vs 51% in 2025)

A growing trade deficit reflects an economy investing in its future — importing capital goods and machinery to build domestic productive capacity

Merchandise trade and trade balance, bn USD



Uzbekistan's trade profile tells the story of a rapidly integrating and industrializing economy. The persistent and widening trade deficit is a feature of Uzbekistan's current development stage, not a vulnerability:

- It reflects massive capital goods imports needed to build industrial capacity.
- Financed by strong FDI inflows ($42.9 bn in 2025) and robust reserves ($69 bn) — providing ample coverage.
- As new manufacturing capacity comes online, export growth is expected to accelerate post-2027.

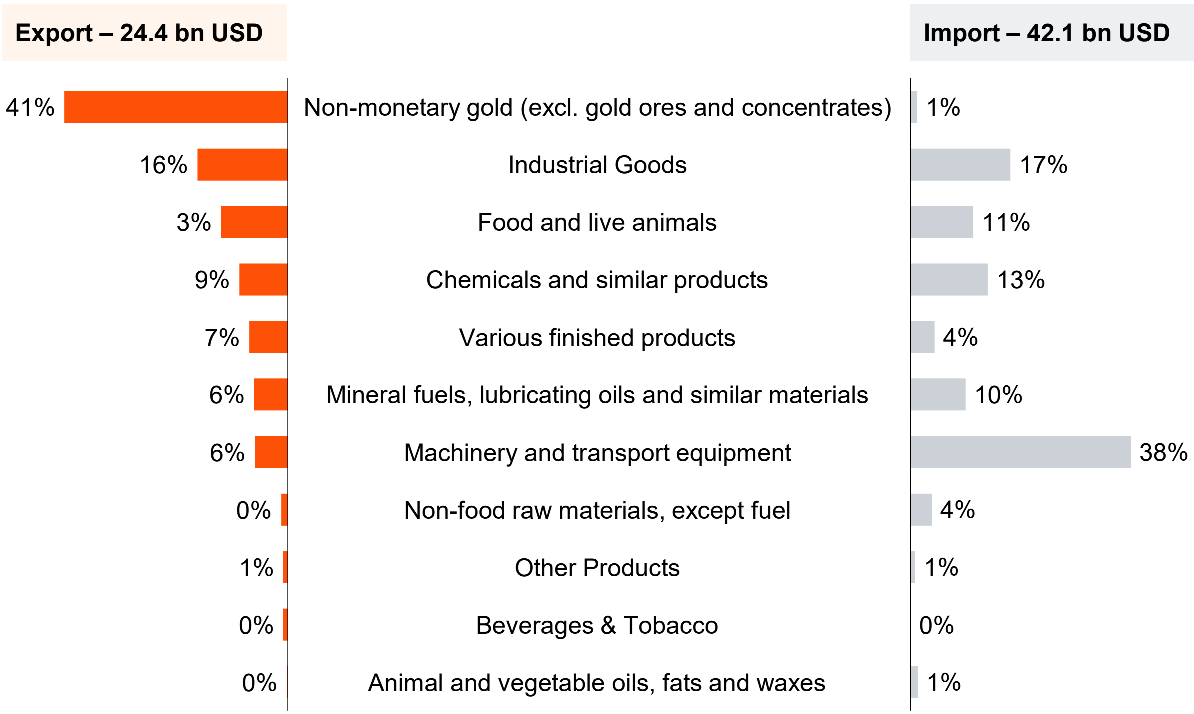
Active trade liberalization and EU GSP+ create preferential access for export-oriented investors. Uzbekistan is systematically reducing trade barriers and expanding market access:

- WTO Accession — actively pursuing membership, signaling commitment to rules-based trade.
- EU GSP+ member — zero import duties on over two-thirds of exports to the EU until 2027, creating a compelling platform for export-oriented manufacturing.
- Bilateral trade agreements — expanding preferential access across key markets.

For investors, Uzbekistan offers a dual advantage: a large and growing domestic market of 38 mn consumers, combined with preferential access to the EU and future WTO-linked global markets — a rare combination in Central Asia.

Trade structure reflects an investment-led growth phase

Export and import structure by SITC sections in % (2025)



*Commodities and transactions not classified elsewhere in the SITC including postal packages, special transactions and commodities, Coins (except gold coins) not being legal tender and non-monetary gold (excluding gold ores and concentrates).

Top 10 globally for operational efficiency: Uzbekistan's B-READY ranking confirms that reforms are translating into real ease of doing business

The World Bank's B-READY 2025 assessment — the successor to the Doing Business index — evaluates countries across three pillars. Uzbekistan's performance confirms that its reform agenda is delivering measurable, externally validated results

Regulatory Framework

39th place
out of 101 places

Comprehensive legal reforms covering business entry, taxation, trade, and investment protection have brought the regulatory environment in line with international standards. This pillar carries the most upside potential as ongoing reforms in competition policy, IP protection, and contract enforcement continue to mature.

Public Services

34th place

Rapid expansion of digital platforms for company registration, tax administration, and customs has materially improved the government-to-business interface. This reflects a deliberate policy shift toward e-government as an enabler of business climate competitiveness.

Operational Efficiency

10th place

Uzbekistan's standout result: businesses face streamlined procedures, low administrative burdens, and fast entry processes. This ranking places Uzbekistan ahead of many OECD economies — a direct outcome of systematic deregulation and process digitization.

3 years, 3 reform waves: Uzbekistan has systematically built a modern, investor-oriented legal and institutional framework since 2023

2023

- **Restructuring of the Cabinet of Ministers in New Uzbekistan:** As part of the first stage of administrative reforms, the Cabinet of Ministers was reorganized to include 69 independent executive bodies, consisting of 21 ministries, 12 committees, 25 agencies, and 11 inspectorates
- **Constitution 2023:** The constitutional law “On the Constitution of the Republic of Uzbekistan”, adopted by referendum on 30 April
- **SEZs regulation:** Law “On State Services Regulation in SEZs for Investors”

2024

- **Preferences for Foreign Investors:** Decree of the Cabinet of Ministers “On Formation of Unified Register of Preferences for Foreign Investors”
- **Establishment of International Centre for Digital Technologies:** Law “On Establishment of International Centre for Digital Technologies”
- **National sustainable development strategy:** Developing and implementing a holistic national sustainable development agenda to be fulfilled by 2030

2025

- **Corporate Law Modernisation:** Law "On Amendments to Legal Acts to Further Improve Corporate Relations" (No. ZRU-1025, 7 February 2025)
- **Business Simplification & Digital Licensing Reform:** Decree of the President of the Republic of Uzbekistan “On the next measures to simplify doing business and the procedures for licensing and issuing permits” (No. DP-214, 14 November 2025)
- **Bank Rehabilitation & Liquidation Framework:** Law "On Rehabilitation and Liquidation of Banks" (No. LRU-1070, 23 June 2025)

Strategy – 2030

Document entered into force on September 12, 2023.

- Bringing GDP to **$160 billion** and per capita income to **$4 thousand**
- Ensuring an annual inflation rate of **5-6%**
- Achieving **100% coverage** of high-speed internet in the regions
- Attracting **$250 billion** of investment into the country
- Turning into a **green economy** and achieving **carbon neutrality**
- Significant **poverty rate reduction**

Global capital is already here: $38 bn in FDI from six continents and $4.9 bn in DFI funding across 275 projects

The combination of large-scale FDI with deep multilateral engagement creates a unique risk-return profile: investors benefit from IFI-backed standards, co-investment opportunities and political risk mitigation — while accessing a high-growth frontier market.

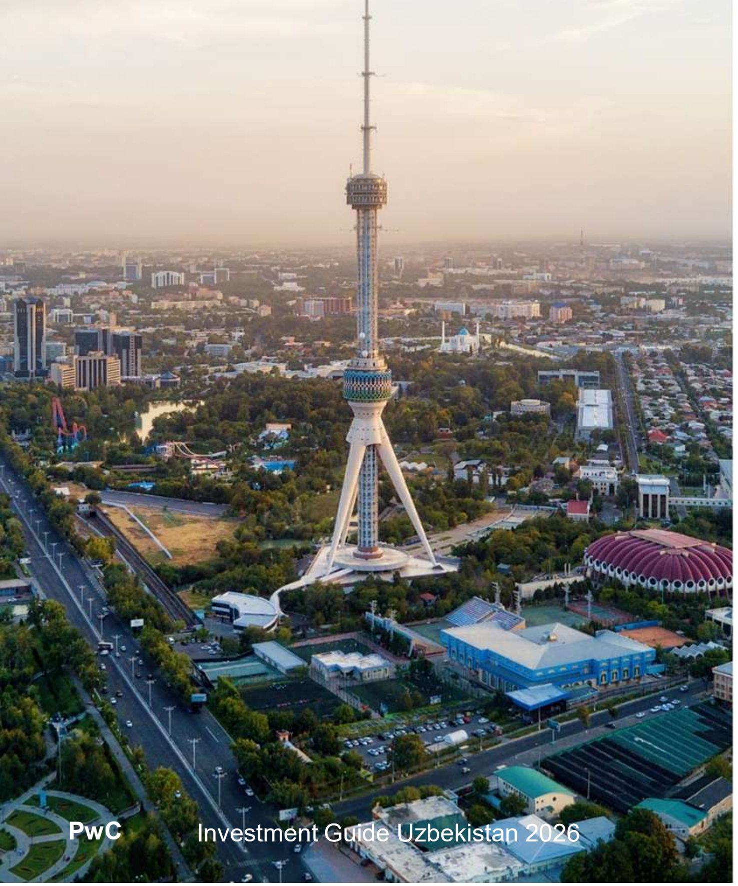
$38 bn

Foreign Direct Investment

$4,9 bn

IFI Funds

Global capital is already here: $38 bn in FDI from six continents and $4.9 bn in DFI funding across 275 projects



Top foreign investors by country (% share, Jan–Sep 2025)

China	**39.9%** Mining, industry, infrastructure
Russia	**7.8%** Energy, manufacturing
Türkiye	**7.7%** Construction, textiles, energy
Saudi Arabia	**3.8%** Energy, infrastructure, utilities
Germany	**3.5%** Manufacturing, automotive
United Kingdom	**3.3%** Financial services

Major development finance institutions

	Investments (bn)	Projects
THE WORLD BANK	$13.8	81
IFC International Finance Corporation WORLD BANK GROUP	$1.23	38
ADB ASIAN DEVELOPMENT BANK	$15.7	304
European Bank for Reconstruction and Development	€5.49	151

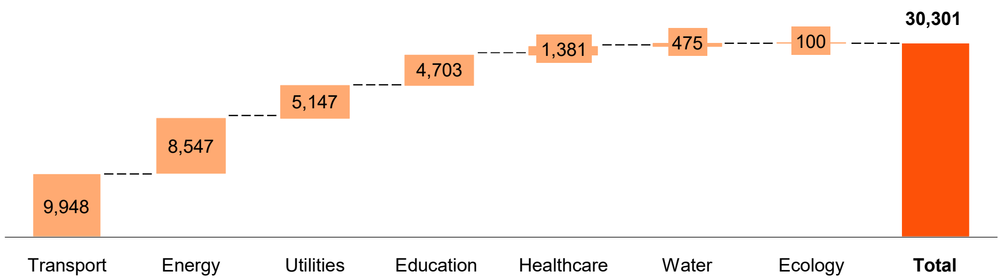
By 2030, Uzbekistan aims for $250B in investment, 40% renewables, and 15M foreign tourists, underscoring strong demand across strategic sectors

Uzbekistan's strategy 2030

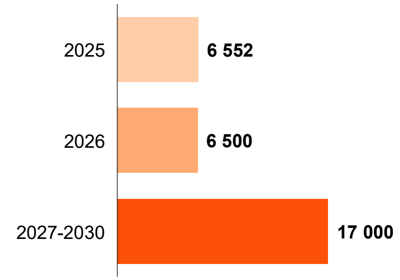
Sector	Investment need / Target	Key government ambitions
Energy / Renewables	25 GW renewable energy capacity by 2030	Renewables to reach 40% of total consumption; modernize 3 GW of thermal power plants
Water & Irrigation	Water-saving technologies on 2 mn ha, including 600k ha of drip irrigation	Increase water-use efficiency by 25%; automate 100 large water facilities; cut pumping-station electricity use by 30%
Healthcare	Full treatment coverage for 350k diabetes patients and 1.5 mn cardiovascular patients	Resolve 70% of cases at primary care level; fully digitalize medical institutions
Education	$2 bn school expansion projects; 120k new university seats; 150k student housing places	Increase non-state schools to 1,000; continue annual PPP school construction
Tourism	15 mn foreign tourists, 25 mn domestic tourists, 3 mn pilgrimage tourists by 2030	Create 30 tourism clusters; increase tourism exports to $5 bn
Transport and Logistics	Build and repair 56k km of roads; build 5.5k km of cement-concrete road	Transit cargo to reach 16 mn tons; electrified rail share to 65%; modernize 6 airports
Digital / ICT	IT exports to reach $5 bn	Internet coverage to 100%; increase IT Park residents 10x; create 100k IT Park jobs; launch 300 digital government projects
Mining and Industrial Processing	$250 bn total investment by 2030, including $110 bn foreign investment and $30 bn PPP	Deliver 500+ strategic projects worth $150 bn; increase copper output 3.5x, gold 1.5x, silver 3x, uranium 3x

Uzbekistan's PPP opportunity reaches $30.3 billion by 2030, anchored by transport, energy, and utility projects

PPP projects to be implemented by sectors (2025 – 2030), mn USD (indicative)



PPP projects to be implemented by year, mn USD (indicative)



Selected pipeline for 2026 – 2030

Modernization of electricity distribution networks in regions:
- Public partner
  Regional electric network
- Project value
  To be identified
- Private sector initiative projects will be developed
- Tashkent city, Republic of Karakalpakstan and regions

Building 100 schools in regions:
- Public partner
  Ministry of Preschool and School Education
- Project value
  To be identified
- Private sector initiative projects will be developed
- Tashkent city, Republic of Karakalpakstan and regions

Building multifunctional hospital in Samarkand city:
- Public partner
  Ministry of Health
- Project value
  To be identified
- Private sector initiative projects will be developed
- Samarkand region

Modernization and management of gas distribution networks:
- Public partner
  Hudedgazta'minot JSC
- Project value
  To be identified
- Private sector initiative projects will be developed
- Tashkent city, Republic of Karakalpakstan and regions

Construction and management of drinking water and wastewater networks:
- Public partner
  Uzsuvta'minot JSC
- Project value
  To be identified
- Private sector initiative projects will be developed
- Samarkand region

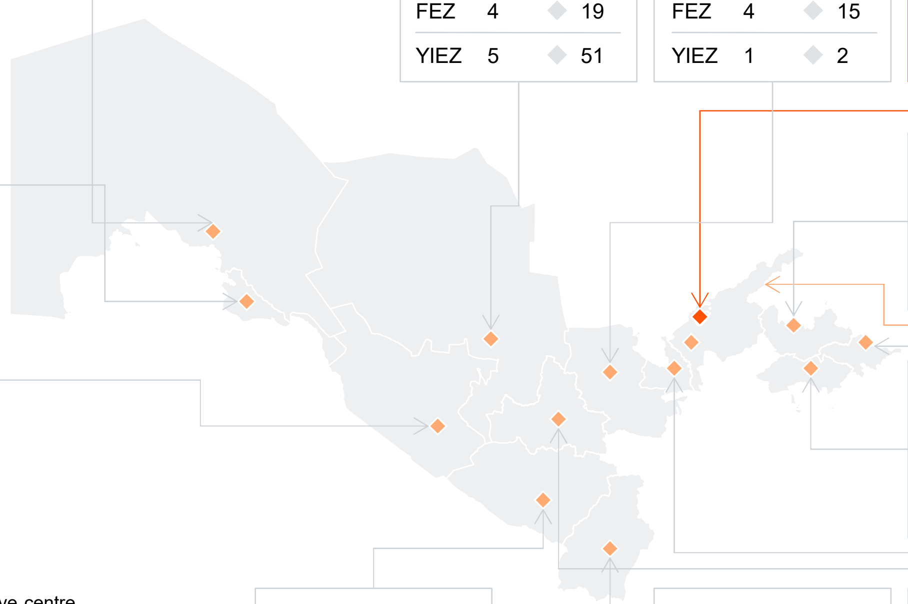
Uzbekistan combines structurally low operating costs with long-term tax certainty, creating a compelling base for scalable and margin-efficient investment

Cost of doing a business in Uzbekistan

Uzbekistan offers a relatively low-cost and competitive business environment, supported by affordable energy prices, moderate office rents, competitive labour costs, and favorable tax incentives, particularly for strategic sectors such as IT and export-oriented industries.

Indicator	UZ Uzbekistan	KZ Kazakhstan	TR Turkey	AZ Azerbaijan
Industrial electricity tariff, USD/kWh	~0.077	~0.081	~0.108	~0.05–0.06
Household electricity tariff, USD/kWh	~0.023–0.046	~0.065	~0.063	~0.04
Industrial natural gas tariff, USD/m³	~0.14 (1,800 UZS/m³)	~0.1-0.16	~0.20–0.24	~0.12
Water, USD/m³	0.23	~0.07	~0.60–1.00	0.6
Average monthly wage, USD	~437	~780	~900–1,000	~644
Class A office rent, capital, USD/m²/month	~15–30 (Tashkent)	~25–40 (Almaty/Astana)	~20–35 (Istanbul)	~25–40 (Baku)
Corporate income tax, %	15	20	25 (general) / 30 (financial)	20
Value added tax, %	12	12	20	18
Personal income tax, %	12	10 (flat)	15–40 (progressive)	14–25 (progressive)
Special IT incentives	**IT Park**: 0% corporate tax, 0% VAT, 0% customs, 0% social tax	**Astana Hub**: 0% CIT, VAT, individual tax until 2066	**Techno-parks**: CIT, VAT, stamp duty exemptions until 2028	**High-Tech Park**: 0% profit tax, 0% VAT, reduced payroll

Uzbekistan has created a nationwide, rules-based SEZ platform that de-risks industrial investment and enables scalable, export-oriented manufacturing



Karakalpakstan

SIZ	4	10
FEZ	3	14
YIEZ	4	9

Khorezm

SIZ	3	28
FEZ	7	6
YIEZ	4	17

Bukhara

SIZ	7	27
FEZ	8	47
YIEZ	6	154

Navoi

SIZ	3	11
FEZ	4	19
YIEZ	5	51

Jizzakh

SIZ	4	9
FEZ	4	15
YIEZ	1	2

Tashkent city

SIZ	8	573
FEZ	0	0
YIEZ	0	0

Namangan

SIZ	3	45
FEZ	7	63
YIEZ	6	113

Tashkent

SIZ	4	11
FEZ	4	29
YIEZ	5	16

Fergana

SIZ	35	75
FEZ	9	140
YIEZ	15	166

Andijan

SIZ	5	57
FEZ	10	93
YIEZ	7	238

Kashkadarya

SIZ	9	46
FEZ	5	8
YIEZ	5	30

Surkhandarya

SIZ	9	87
FEZ	2	1
YIEZ	8	74

Samarkand

SIZ	10	35
FEZ	4	84
YIEZ	4	79

Syrdarya

SIZ	4	7
FEZ	4	4
YIEZ	3	10

Legend

- Tashkent city
- Location of the administrative centre
- Number of enterprises based on type of economic zone

Source: MIIT data (2026)

- **A March 2025 presidential decree fundamentally reformed the SEZ/SIZ framework**: Time limits on SEZ operation were abolished, land leases extended to 49 years, and duty-free "processing on customs territory" kicks in from June 2025.
- **The pharma-specific FEZ network (7 zones) offers a sectoral niche model** with 10-year guaranteed state procurement contracts.
- **The new "Namangan" special export zone introduces a free customs zone concept.**

Uzbekistan's multimodal transport backbone lowers logistics costs and enables reliable access to regional and global markets

Infrastructure

Roads

42,371 km

public roads

Railways

4,642 km

(1,684 km electrified)

Airports

74 airports

11+ international

Tashkent Metro

4 lines

45 stations

River port

1

(Termez, on Amu Darya)

Inland waterways

1,100 km

Uzbekistan's large and rapidly formalizing business base creates immediate partnership options and accelerates market entry for foreign investors

Number of enterprises

474,900	403,804	170,400
Total registered businesses	Small businesses	LLC registered companies
170,400	18,100	
Tashkent concentration	Foreign companies	

Top foreign business origins

 5,000

 3,200

 2,100

Sustained growth and market gaps reinforce Uzbekistan's investment attractiveness

Uzbekistan now hosts nearly **475,000 registered businesses** — reflecting dynamic entrepreneurial growth and a regulatory environment that has streamlined company registration to a notification-based procedure.

Foreign-capital companies surged **22% in a single year to 18,100**, nearly doubling over the past five years — a direct result of the post-2017 reform wave, investor preference regimes, and SEZ/IT Park incentives.

85% of all businesses are classified as **small enterprises**, underscoring both the entrepreneurial base and the need for scale-up financing, which the GoU addresses through IT Park, microfinance, and IFI credit lines.

Tashkent alone accounts for **23% of all businesses (108,700)**, pointing to significant regional concentration — the government's SIZ program and regional investment targets aim to spread activity to secondary cities like Samarkand, Fergana, and Andijan.

Uzbekistan has only about **31.7 business entities per 1,000 people** (as of early 2026) – the lowest in Central Asia. By comparison, Kazakhstan has roughly 2.1 million active SMEs for ~19 million people (≈110 per 1,000 citizens), and even the European Union averages around 60 enterprises per 1,000 inhabitants.

2

Sectors of Uzbekistan

2.1 Agriculture

A large $43 bn agricultural base with limited export penetration creates clear scale-up opportunities in high-value crops and agro-processing

17%
GDP share

$43 bn
Market volume of the industry

6.3%
Share of export in 2025

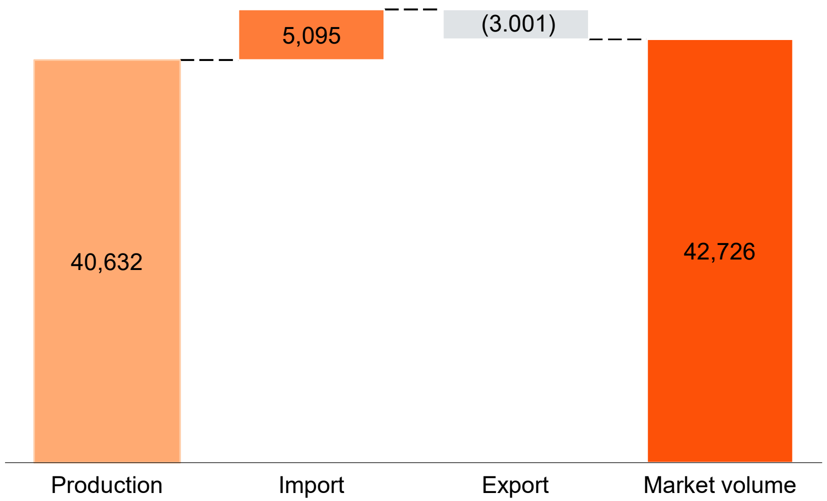
Vegetables and fruits:

- Exports already reached **$1.2 bn across 2.2 mln tons in 2025**, confirming competitiveness in selected fruit and vegetable segments
- Melons and watermelons alone generated $233.6 mln, highlighting concentration of value in a few scalable crops
- January 2026 exports increased by **21.6% YoY to $99.4 mln**, indicating strong responsiveness of exports to incremental capacity and market access

Opportunities

- Export platforms, trade finance, certification and compliance services to unlock export scaling
- Cold storage, agro-processing, packaging and logistics infrastructure to reduce post-harvest losses and raise value added
- ESG-linked capital and concessional co-financing aligned with food security and rural income objectives

Market balance of Uzbekistan, mln USD, 2025



Top 3 export goods, mln USD, 2025

628.5	582.5	558.5
Fruits	Vegetables	Grain crops

A $2.6 bn incentive package and risk-sharing instruments materially de-risk agricultural investment in Uzbekistan

Tax incentives

- **52** subsidies in 2026 (USD 2.6 bn)
- **50% VAT refund** by 2028 (livestock)
- Tax exemptions on land and water for FDI
- **50%** state-funded crop insurance
- **0%** CIT for enterprises deriving at least **90%** of income from agricultural production

Key players

AgriOne Group – vertically integrated producer and exporter of fruits, vegetables, legumes, nuts, and dried fruits; active in Russia, EU, China, UAE

FruitValley – large orchard-based exporter of fresh fruits and vegetables to CIS, EU, Middle East, and Asia (500+ hectares)

Seven Hills Agro Commodities – one of the largest exporters of legumes, dried fruits, and oilseeds; operations across 30+ countries

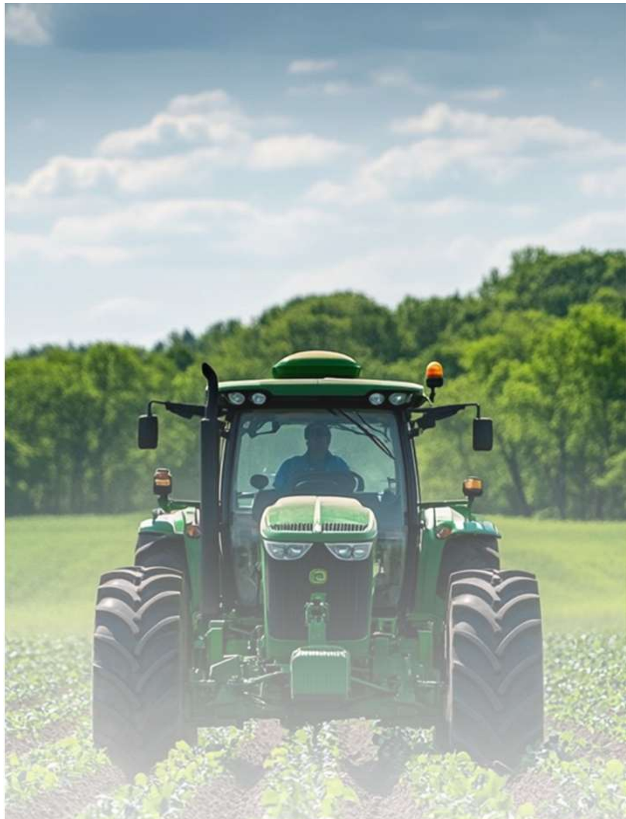
Key government ambitions

Financial Institutions:

THE WORLD BANK, ADB, IsDB, European Bank for Reconstruction and Development

Development Agencies:

USAID, AFD Agence Française de Développement, KOICA Korea International Cooperation Agency, JICA, IFAD International Fund for Agricultural Development



- **DELMOR (China) –** invested $100 mln in meat and dairy QI
- **Hang Mubarak –** built 50 ha of greenhouse worth $11 mln
- **Indorama Agro –** 50 K ha area production of cotton, wheat and crops

2.2 Energy

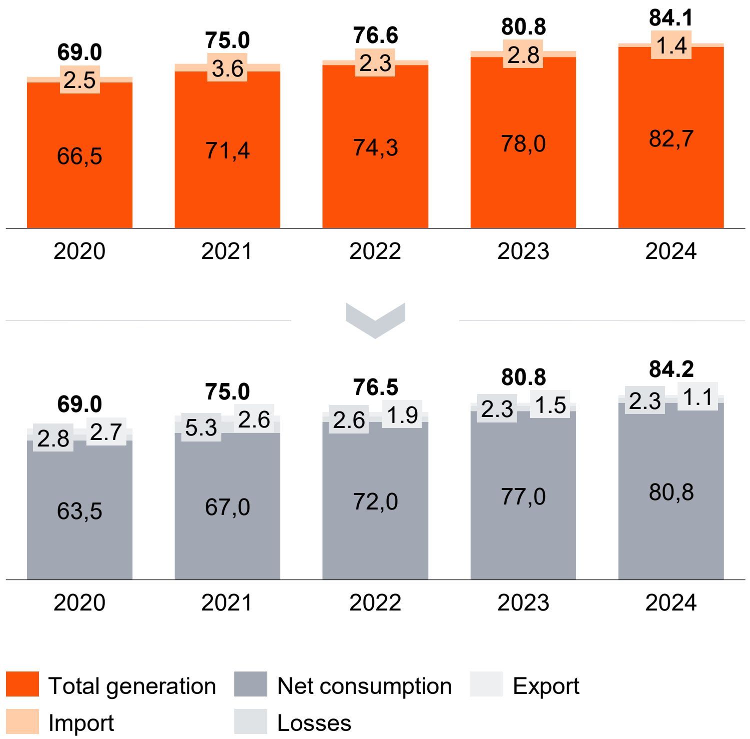
Rapid demand growth, USD-linked offtake contracts and a ~30 GW renewables pipeline position Uzbekistan as a bankable power market (1/2)

Strategy 2030 has already delivered tangible results, saving 3.2 bcm of natural gas and avoiding 4.7 million tons of CO_2 emissions, reinforcing the policy commitment behind the energy transition

Why investors are choosing Uzbekistan

- Electricity demand increased from 69.0 TWh in 2020 to 82.7 TWh in 2024, driven by industrialization and GDP expansion, supporting long-term load growth assumptions.
- Long-term (often 25-year), USD-linked or USD-indexed offtake contracts provide revenue predictability and mitigate FX risk.
- A ~30 GW renewables target by 2030 anchors a visible and scalable project pipeline.
- Renewables free up natural gas for export, directly aligning power investments with national energy security and fiscal objectives.
- Significant tax incentives for renewable energy producers.

Electricity production and consumption in Uzbekistan, TWh



Rapid demand growth, USD-linked offtake contracts and a ~30 GW renewables pipeline position Uzbekistan as a bankable power market (2/2)

Strategy 2030 has already delivered tangible results, saving 3.2 bcm of natural gas and avoiding 4.7 million tons of CO_2 emissions, reinforcing the policy commitment behind the energy transition

Solar energy

15	Solar power plants operates in Uzbekistan
3.9 GW	Total production capacity from renewable energy
+12	Solar power plants are under construction
12 GW	Total production capacity from renewable energy

Wind energy

5	Wind power plants operates in Uzbekistan
1.6 GW	Total production capacity from renewable energy
+4	Wind power plants are being developed
5 GW	Total capacity of wind power is planned to reach by 2030

HPPs and PSPs

58	Hydroelectric power plants operates in Uzbekistan
1.6 GW	Total production capacity from renewable energy
+24	HPPs and PSPs are beening developed
4 GW	Total capacity of hydroelectric power is planned to reach by 2030

Gas / thermal power

60+	Gas –fired and cogeneration plants operates in Uzbekistan
17.6 GW	Installed capacity
1.1 GW	new CCGT / CHP under construction

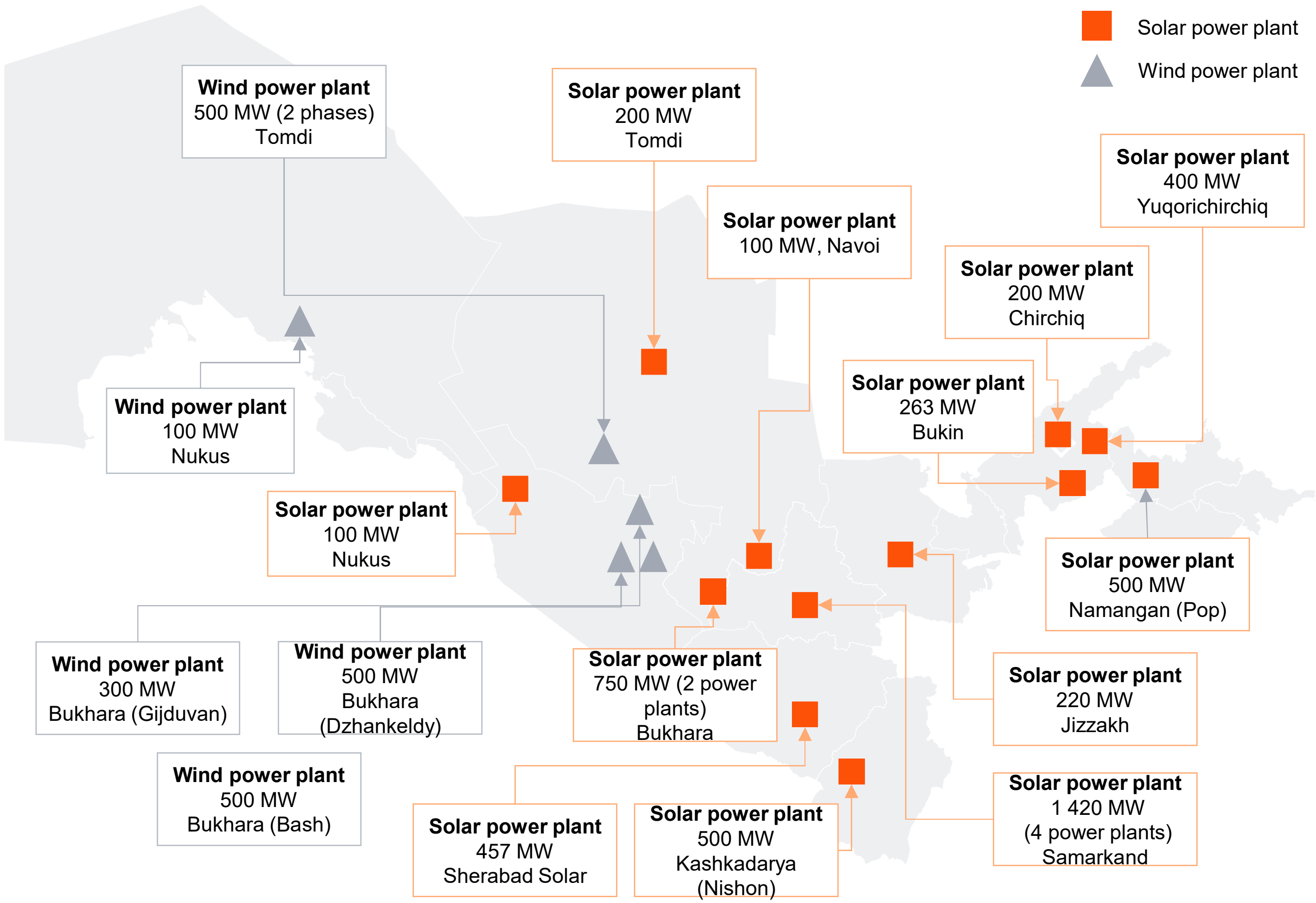
Anchor investments by Masdar, ACWA Power and TotalEren validate bankability and enable rapid replication of renewables projects in Uzbekistan

Masdar (UAE) – flagship investor across solar and wind, including Nur Navoi Solar (100 MW), Sherabad Solar (457 MW), and the Zarafshan Wind Farm (500 MW). Masdar plays a market-shaping role, often entering early, demonstrating bankability, and crowding in lenders and co-investors.

ACWA Power (Saudi Arabia) – the dominant solar scaling partner, responsible for multiple 500 MW-class solar plants (Bukhara, Pop, Nishon, Gallaorol, Chirchiq). ACWA's strategy centers on replication, cost leadership, and portfolio effects.

TotalEren (France) – selective but high-quality exposure, with a focus on strong regional solar assets (Samarkand), often backed by IFIs.

- Uzbekistan is transitioning from a vertically integrated, gas-dependent monopoly to a diversified, market-oriented power system with deep private sector participation.
- The 30 GW renewables commitment by 2030, alongside grid modernization and storage investments, provides long-term pipeline visibility and system readiness.



2.3 Textile

A temporary export dip reflects Uzbekistan's deliberate shift from low-margin yarn to higher-value finished garments

Export of textile product, 2025

$710 mln
Yarn

$263 mln
Knitwear

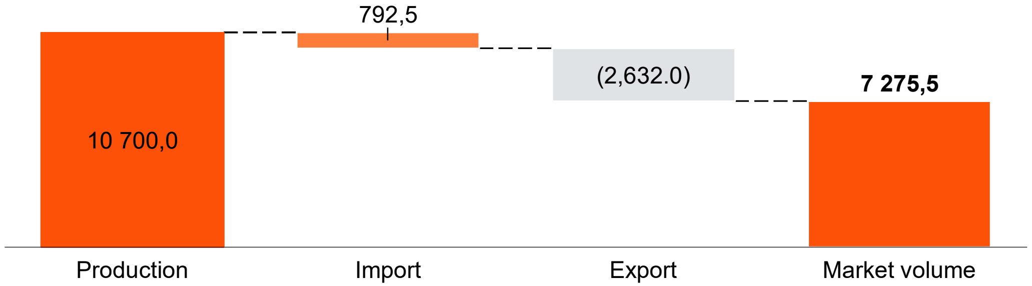
$1.4 bn
Clothing

Cotton textile products:

Cotton-based products generated ~$1.7 bn in exports in 2025, spanning yarn, fabrics and processed goods, underscoring the scale of the existing raw-material and intermediate base supporting downstream expansion.

Cotton production cycle

Market balance of textile industry, mln USD, 2025



Market dynamic:

- Textile exports peaked at ~$3.1 bn in 2022–2023 and declined to $2.3 bn over 11M 2025 (-12% YoY).This reflects external price effects (falling global cotton prices) and a 38% drop in yarn exports, alongside an ongoing structural reallocation toward finished goods that has not yet fully offset volume losses.
- The transition phase is weighing on topline exports, but supports structurally higher margins over time..

Market structure:

Uzbekistan is executing a strategic move up the textile value chain. Finished goods increased from **~36% to 52% of exports** (2020–2025), while yarn declined from 51% to 28%.Although the shift temporarily depresses export volumes, finished garments deliver 3–5× higher margins, setting the foundation for higher-quality export growth once capacity scales.

Diverse foreign investors validate Uzbekistan as a scalable, compliant cotton-to-garment platform rather than a single-model low-cost play

01

Indorama (Singapore)

- Large-scale anchor investor with $200M+ committed to vertically integrated clusters, leveraging Uzbekistan's cotton and labor base to supply global markets.
- Track record in emerging economies reduces execution risk and signals scalability.

02

Jinsheng Group (China)

- Dual role as equipment supplier and producer, aligning investment with China's BRI strategy.
- Highlights geopolitical and compliance considerations, underscoring the importance of diversified investor profiles for EU-oriented exports.

03

Rieter AG (Switzerland)

- Global benchmark equipment supplier, enabling modernization through world-class spinning technology.
- Asset-light, low-risk presence and involvement signal quality and compliance credibility to global buyers and brands.

04

Uztex Group + Swiss Capital International

- European-capital JV with the largest local player, focused on high-tech textile complexes targeting premium EU markets.
- Demonstrates the most replicable and scalable partnership model, combining local execution with Western governance and ESG standards.

05

Textile technologies Group (South Korea)

- Technology-driven producer of high-quality yarn, utilizing advanced machinery from Germany, Italy and Japan.
- Early mover in organic cotton, cultivating 200 hectares, aligning Uzbekistan's textile sector with sustainability-driven demand.

2.4 Chemicals

A $31 bn, production-heavy chemicals sector with negligible exports presents a clear downstream and export-led growth opportunity

A Snapshot of the Chemicals Sector

180+
Types of chemical products manufactured domestically

5
Chemical industrial clusters and technoparks

44
Enterprises and organizations operate under JSC Uzkimyosanoat

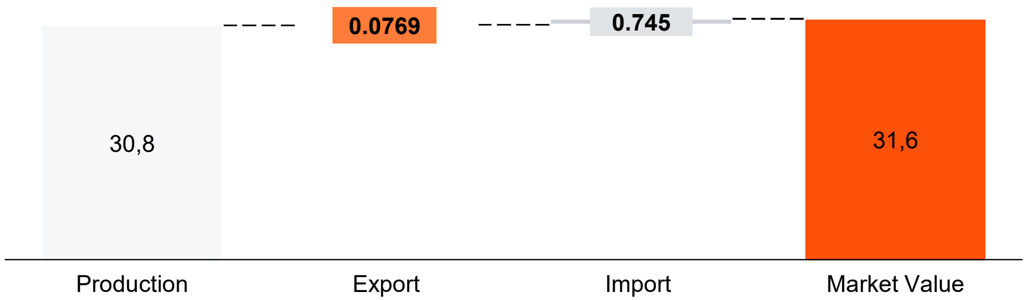
Government plans and policies

- A USD 12.1 bn national investment program (2019–2030) anchors long-term sector development, including USD 1.7 bn FDI and USD 9.2 bn in foreign loans, largely from IFIs.
- 133 projects planned for 2026, including 24 strategic projects, mobilizing USD 1.3 bn and launching 7 new facilities, strengthening execution momentum.
- A presidential directive targeting 10–15% cost reduction through energy efficiency, raw-material optimization and digitalization directly improves plant-level economics and competitiveness.

Uzbekistan sets ambitious 2026 fertilizer production targets to fuel agricultural growth (2022 figures)

N_2 Nitrogen	P_{04} Phosphate	K Potash
1.12 million tons	**135,000 tons**	**222,000 tons**
1.12 million tons	163.000 tons	198,000 tons

~98% of market value is absorbed domestically, with exports at just 0.2%, underscoring that current production primarily substitutes imports and serves local demand rather than external markets



Market balance, USD bn (2024)

Key foreign investors in the sector

Ferkensco

Ferkensco Management Limited (Hong Kong) holds a 75.06% stake in Samarkandkimyo JV, producing 910,000 tons/year of mineral fertilizers, generating ~$50mln in annual exports and creating 900 jobs

Indorama Ventures

Indorama Kokand Fertilizers and Chemicals JSC is Indorama's fertilizer business in Kokand, created after its 2019 privatization purchase of the former Kokand Superphosphate Plant and focused on phosphate fertilizers

2.5 Pharmaceuticals

A large pharmaceutical market where volume is localized but value is imported creates a clear quality-upgrade investment case

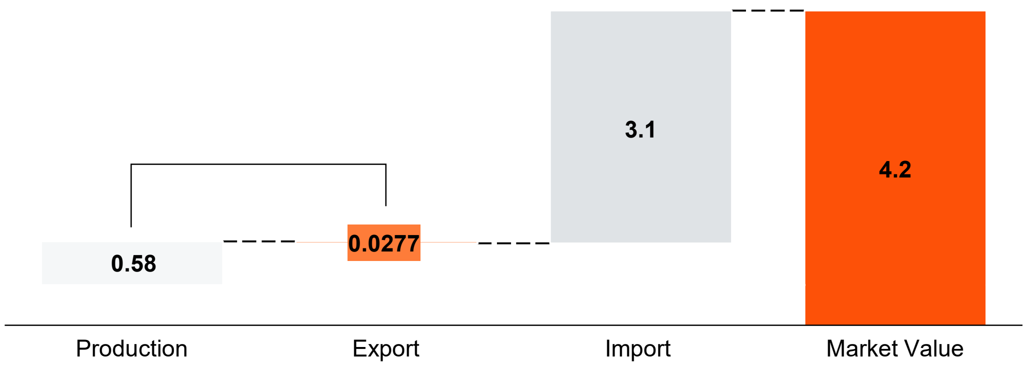
A Snapshot of the Pharmaceuticals Sector

58%
Medicines domestically produced (by volume)

5
Pharmaceutical industrial zones

3.8%
Of GDP

While domestic production accounts for over half of volumes, imports capture ~75% of market value, indicating that higher-value, more complex and branded medicines remain predominantly imported



Market balance, USD bn (2025)

Uzbekistan's pharmaceutical market is now the largest in Central Asia

- Pharmaceutical output has increased 3.5-fold in nine years, exceeding USD 78 million, confirming sustained capacity build-up
- Domestic medicine output has doubled, reinforcing depth of local manufacturing
- USD 1.8 bn invested over nine years, launching 140 new facilities, shows continuous capital formation rather than episodic growth300+ pharmaceutical enterprises, including 58 drug manufacturers, enable clustering and supplier ecosystems
- Exports to 55 countries and employment above 40,000 indicate operational maturity

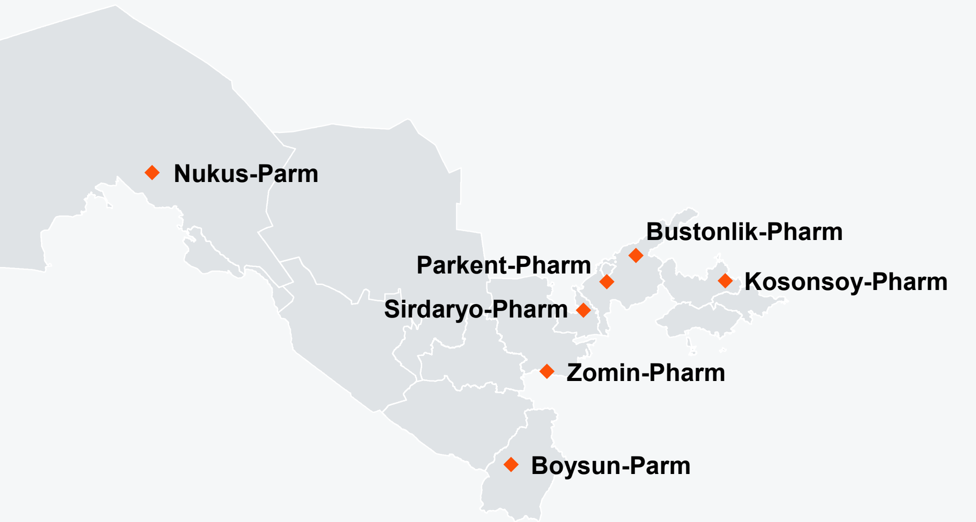
The government targets 70% domestic market share by 2030, focusing explicitly on quality upgrades and joint production with foreign companies, rather than pure volume expansion

Pharmaceutical imports were valued at **USD 3.1 billion in 2025** and are forecast to reach **USD 5.5 billion by 2030**, growing at a five-year CAGR of 13.7% in local currency terms.

Pharmaceutical exports remain minimal at just **USD 24.9 million in 2025** but are expected to grow to **USD 41.6 million by 2030** (CAGR: 12.8% in local currency).

A purpose-built incentives and zoning framework de-risks pharma manufacturing, but scaling to 80% localization requires foreign technology and capital

Seven geographically distributed, pharma-dedicated free economic zones reduce clustering risk and enable region-specific manufacturing specialization



Seven pharma-dedicated FEZs established in 2017 host 30 active projects worth USD 173m, creating ~2,000 jobs and focusing on medicinal plant cultivation and pharmaceutical manufacturing — indicating a move from policy design to execution

Investment Incentives

Significant tax incentives for local pharmaceutical investment	Government reimburses 50% of foreign market registration costs	10-year guaranteed state contracts for localized medicines (up from 3)

Pharmaceutical industry trends

- Tashkent Pharma Park — Flagship cluster with 12 investment-ready projects, signaling a near-term, actionable pipeline rather than greenfield planning
- The shift from 58% to 80% domestic production demands large-scale new investment in manufacturing and technology, not incremental expansion
- Generics (~49% of market) remain largely imported, identifying a clear first-wave localization opportunity for foreign investors
- Patented drugs – 11.2% CAGR to USD 2.0 bn by 2030 highlights a second-wave opportunity in advanced production and R&D once quality thresholds are met
- Fast-track for WHO-approved medicines materially shortens time-to-market, particularly for established international producers

Global pharma leaders are already embedded in Uzbekistan's market—primarily via imports—creating a clear pipeline for localization and JV-led manufacturing

International pharmaceutical companies operating in Uzbekistan

sanofi

- Leading position in the Uzbekistan pharmaceutical market — one of the most prominent foreign players
- 20+ years of activity; products are well recognised by both doctors and patients
- March 2022: SWIXX BioPharma became Sanofi's partner for distribution and marketing
- January 2022: Entered a partnership with the Medipal Group for logistics and commercial activities
- No local production facilities — entirely import-based

KRKA

- One of the key suppliers to Asklepiy, which serves approximately 5,000 pharmaceutical and medical institutions across the market
- Slovenia-based generics specialist — relevant given Uzbekistan's efforts to establish trade connections with countries with generics expertise
- Primarily operates through import/distribution partnerships

STADA

- Significantly expanded its Central Asian footprint in 2019 by acquiring Takeda's OTC and prescription businesses across Uzbekistan, Azerbaijan, Russia, Georgia, Armenia, Belarus and Kazakhstan
- Acts as a key supplier to Asklepiy Pharmaceutical Company, the largest distributor in Uzbekistan
- Positioned strongly in both OTC and prescription segments

SANDOZ A Novartis Division

- Parent company Novartis has a representative office in Uzbekistan; products are imported
- As the world's largest generics company, Sandoz is strategically relevant given that generics account for ~49% of Uzbekistan's market and the government is pushing for local generics production

polpharma

- Listed among the key suppliers to Asklepiy's distribution network
- Operates through import/distribution channels

AstraZeneca

- Present in Uzbekistan through local distributors since 2021
- Markets nine products, including oncological, asthma, and cardiovascular treatments

Roche

- Operates a representative office in Uzbekistan
- Products are imported — no local manufacturing

2.6 Education

A structurally undersupplied private education market—particularly in preschool and higher education—and significant tax incentives (e.g. CIT exemption) creates a scalable, demand-driven investment opportunity

A Snapshot of the Education Sector

	Preschool Education	General Education	Secondary Specialised Education	Higher Education
Regulators	Cabinet of Ministers — Ministry of Preschool and School Education	Cabinet of Ministers — Ministry of Preschool and School Education	Cabinet of Ministers — Ministry of Higher Education, Science and Innovations	Cabinet of Ministers — Ministry of Higher Education, Science and Innovations
Institutions	25% | 75% — Total 38,058	96% | 4% — Total 10,943	100% | 0% — Total 845	41% | 59% — Total 207
Students	65% | 35% — Total 2,350,000	93.3% | 0.7% — Total 6,776,300	100% | 0% — Total 428,600	74% | 26% — Total 1,629,131

XX Public

XX Private

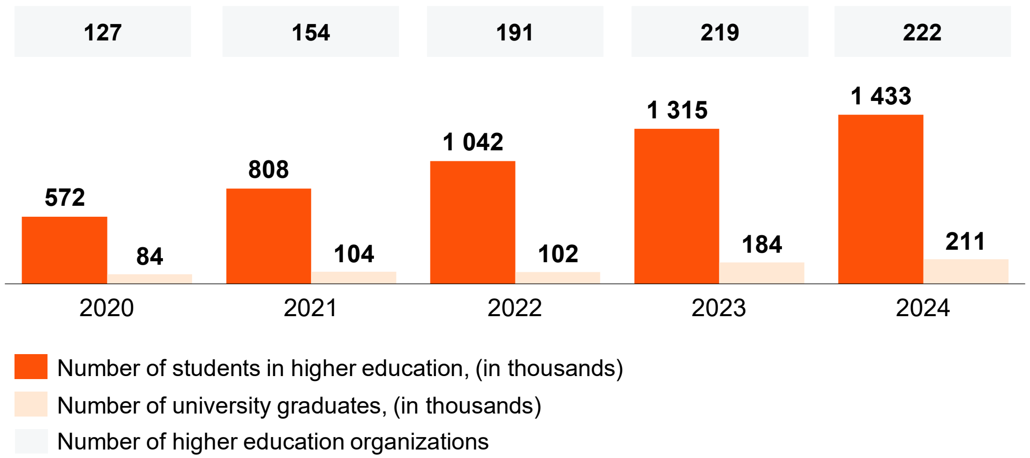
- 75% of kindergartens are already private, proving the market is open, deregulated, and investor-friendly
- Only 35% of preschool children attend private institutions, representing a significant supply-demand mismatch and revenue upside
- Single-ministry oversight reduces bureaucratic hurdles and accelerates licensing and expansion
- Strong demographic tailwinds, with one of Central Asia's youngest and fastest-growing populations, ensure sustained long-term demand
- Private HEIs account for 59% of institutions but only 26% of enrollments, indicating substantial headroom for enrollment growth and market share capture

Source: Statistics Agency (2024), MHESI (2024)
*Note: Data refers to the 2023/2024 academic year

Policy-driven enrollment growth and rapid capacity expansion position Uzbekistan as a scalable PPP and franchise education market

A Snapshot of the Education Sector

In 5 years, the number of students and universities has doubled



Investment Opportunities (based on Uzbekistan-2030 Strategy)

1

Preschool Education

Preschool is a PPP-led infrastructure and service delivery play, with government-guaranteed demand as enrollment targets rise to 80% by 2026 and standardized facility requirements

2

Secondary Education

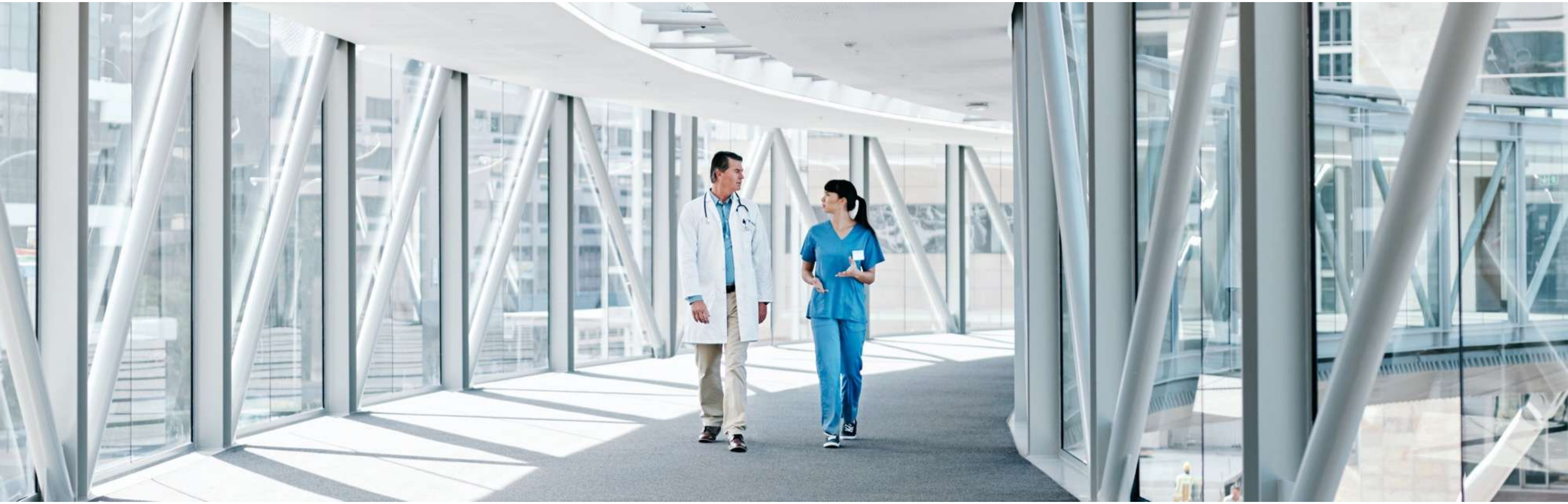
PPP is the primary delivery mechanism, with 100+ schools built annually under a $2 bn IFI-backed expansion program, supported by preferential credits and a target to triple private enrollment

3

Higher Education

Structural expansion continues, with 30 new universities planned and a policy target to reach 50% enrollment, supported by international accreditation, dual diplomas, and campus infrastructure

Foreign investors have multiple entry routes — franchising, branch campuses, and joint ventures — already validated by leading international universities operating in Uzbekistan



2.7 Healthcare

Rapid growth in healthcare spending and high out-of-pocket payments position Uzbekistan as a demand-led private healthcare market

A Snapshot of the Healthcare Sector

$3.2 bn

Healthcare budget (2025)

174,000

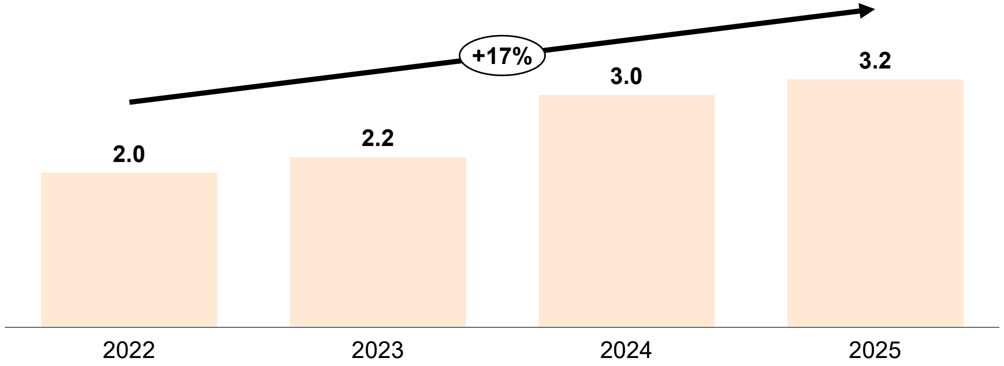
Hospital beds (4.8 per 1,000)

~6%

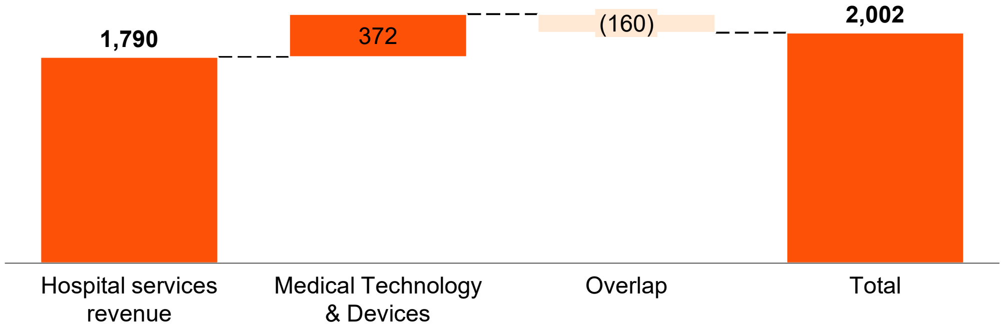
Of GDP

Rising spend and market fragmentation enable private healthcare expansion

Healthcare sector budget spending, USD bn



Market structure, mln USD



Rapid growth in healthcare spending and high out-of-pocket payments position Uzbekistan as a demand-led private healthcare market

Disease burden

>75%

of deaths stem from non-communicable diseases, making chronic care, diagnostics and long-term treatment a structural demand driver

Out-of-pocket spending

55–65%

out-of-pocket share indicates an underinsured population with high private-pay readiness, directly supporting private healthcare economics

Health spend per capita

~$60

per capita spend, among the lowest in the region, highlights significant catch-up potential versus Kazakhstan (~$250) and Georgia (~$350)

Medical workforce

84,000

physicians (2.81 per 1,000 people) with sharper rural shortages point to service gaps addressable via private clinics and telemedicine models

Geographic concentration

~46%

of spending concentrated in Tashkent, revealing immediate scale opportunities in the capital and untapped regional expansion potential

A highly favourable tax and PPP regime has already attracted international healthcare operators, validating Uzbekistan as a bankable private healthcare market

Tax incentives

Full corporate income tax exemption (for entities with ≥90% healthcare revenue, excl. cosmetology)

Land tax relief for land occupied by healthcare facilities

Property tax relief for healthcare facilities

VAT and customs duties exemptions for import of technological equipment, analogues of which are not produced in Uzbekistan

Global healthcare players are already investing at scale across PPPs and private projects

Key players

- 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 USD 260 mn 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.

- Signed an agreement (January 2025) to build a $30 million rehabilitation center on a PPP basis at the Republican Scientific Center for Emergency Medical Care in Tashkent — the largest emergency hospital in Uzbekistan, Agreed to manage two state-of-the-art hospitals: the newly constructed Mother and Child Hospital in Nukus (Karakalpakstan) and participation in the tender for the Specialized Scientific and Practical Center for Oncology and Radiology also under construction in Nukus — marking Burjeel's first operational entry into Central Asia

- Won the landmark PPP tender (Feb 2026) to design, build, finance, equip and maintain an 800-bed multidisciplinary hospital in the Fergana region – covering cardiac surgery, neurosurgery, and organ transplantation — with a 20-year concession and 3-year construction timeline.

2.8 Real Estate

Tashkent's office and retail markets are entering a rapid scale-up phase, supported by strong rent premiums, low supply density, and an expanding development pipeline

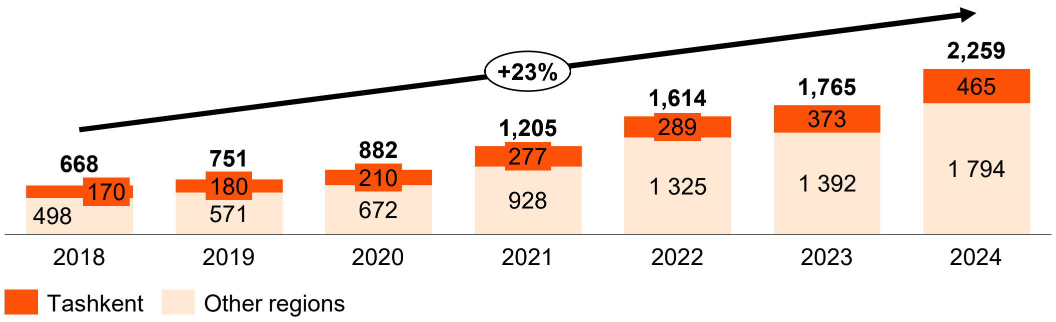
- Tashkent's office market is at an active growth phase, with quality office supply per capita significantly below that of comparable cities.
- Over the next three years, ~500,000 m² of new office space is expected to enter the market — tripling the current stock and accelerating the market's transition to a more mature phase.

- Current supply density stands at 83 m² per 1,000 residents — significantly below Moscow, comparable to Baku/Tbilisi.
- Co-working spaces are rapidly gaining popularity.
- Market lacks competitive lease terms — opportunity for differentiation (fit-outs, flexible contracts, bonus periods).

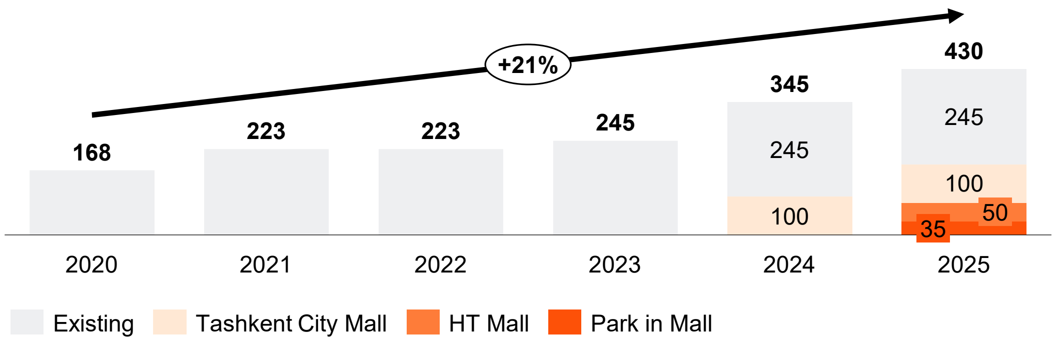
- Retail rents operates within a range of $15–40/m²/month depending on quality and location.
- Rental rate growth has demonstrated CAGR +15% over the last 5 years.
- Foreign retailers entering Uzbekistan are raising the bar for quality of retail space.
- High competition nearby (Samarkand Darvoza, Tashkent City Mall, upcoming Chorsu reconstruction) — quality street-retail supply remains limited.

Rising supply and active development pipeline enable continued scaling of Tashkent's commercial real estate market

Total area of commercial real estate, thsd sq m

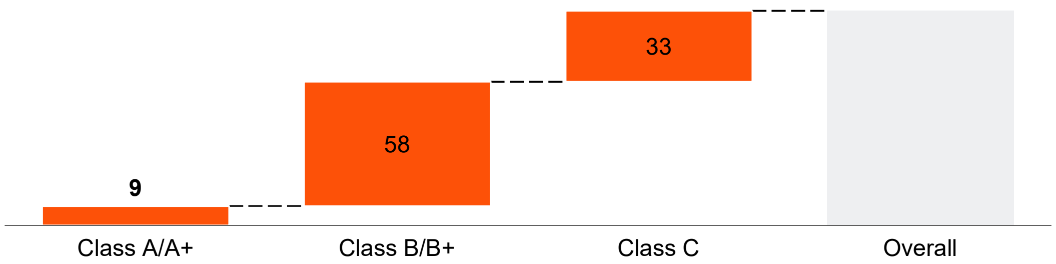


Total retail floor space in Tashkent, thsd sq m

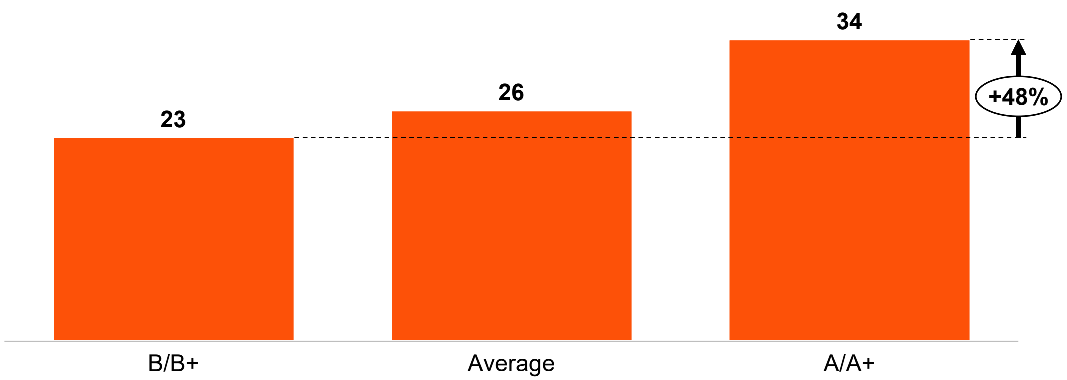


Limited availability of premium office space and strong rental differentiation support high-quality developments

Total business centre floor space in Tashkent in 2024, %

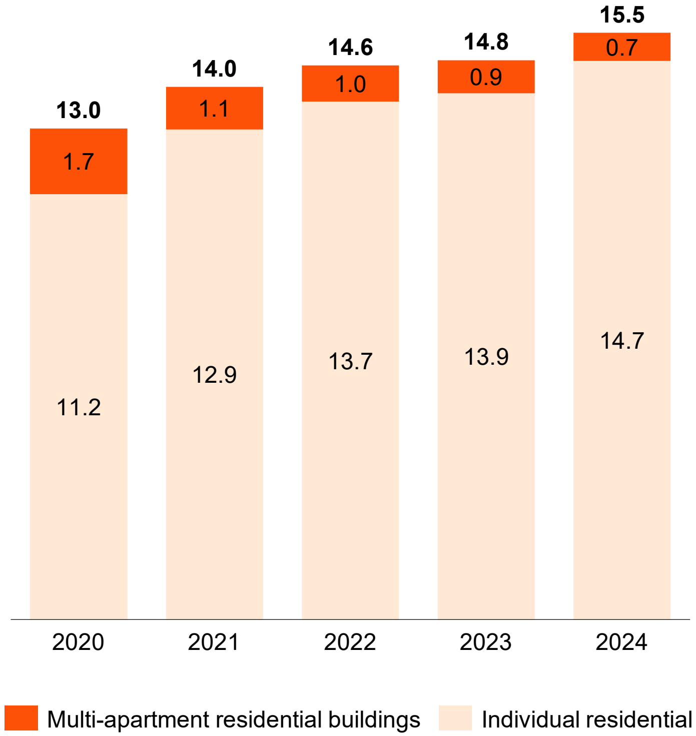


Average rental rate by class in Tashkent in 2024, USD/sq m

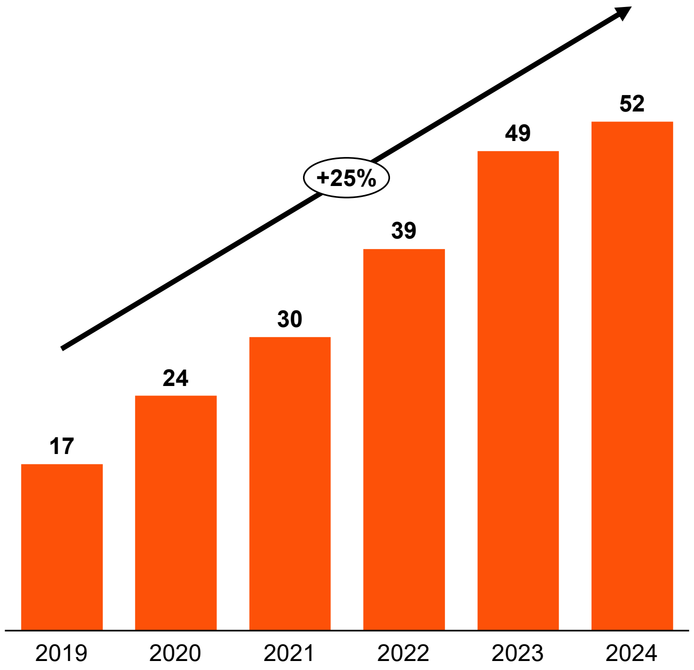


A rapid shift to mortgage-driven housing demand is structurally scaling Uzbekistan's residential market and accelerating developer-led supply

Total floor area of commissioned housing in Uzbekistan, million m²



Outstanding mortgage loans, USD bn



- In 2025, the volume of housing commissioned amounted to 15.9 million m², bringing the total housing stock to 719.7 million m².
- Average floor space per capita reached approximately 19.2 m² per capita.
- By 2040, the target level of average floor space per capita in Uzbekistan is set at a minimum of 23 m² per capita.
- Achieving this target will require annual housing commissioning of approximately 22.6 million m².

- Outstanding mortgage loans tripled in five years (from $17 bn to $52 bn), fueling a near-doubling of residential transactions to 336,000 deals.
- The state-backed mortgage programme (11 banks, 17–18% rate, 20-year term) has formalised access to housing finance for the mass market, marking a structural shift from a previously cash-dominated model.
- Tashkent captures the lion's share of mortgage issuance and construction activity, with mortgage-driven demand pushing primary market prices to +26% CAGR ($1,239/m²) and incentivising developers to rapidly scale new supply.

A locally dominated residential development market creates a clear entry window for international developers with capital, scale, and institutional capabilities

Comparative profile of leading residential real estate developers in Uzbekistan, 2026

	GOLDEN HOUSE	MURAD BUILDINGS	NRG BI	Construction company KOC CONSTRUCTION
Area of residential projects:	over 1 million m²	700 thousand m²	454 thousand m²	~50 thousand m²*
Market presence in Uzbekistan:	since 2009	since 2003	since 2020	since 2020
Completed residential projects, units:	~17	12	~20	1*
Current residential projects, units:	9	3	15 (stages of completed projects)	1*
Geography of presence:				Europe, Asia, Africa (9 countries)
Segments:	Comfort, Business, Premium	Business, Premium	Comfort, Comfort+, Business, Business+, Premium	Business, Premium

*Considering only those projects that are owned by Koç Construction.

2.9 Mining and quarrying

JORC-aligned regulation and capital-market reforms are transforming Uzbekistan's mining sector into an investable destination for global capital

A Snapshot of the Mining and Quarrying (2025)

$13.5 bn	$5.6 bn	~ 9-17%*
Production volume of metallurgical industry	Total output of mining sector	Of GDP

Global positioning

Top-tier reserve rankings across strategic minerals underpin long-term investment relevance amid global supply-chain reconfiguration and energy transition

Au – Gold	Cu – Copper	U – Uranium	K – Potassium
5th	8th	12th	4th
In reserves	In reserves	In reserves	In reserves

*Estimates differ by category: mining and quarrying contribute about 2.8% of GDP in 2025, while the wider value chain, including metallurgy and mineral processing, represents a larger share.

Strategic Reforms

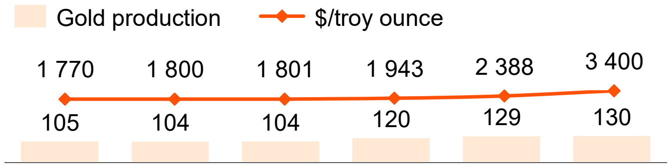
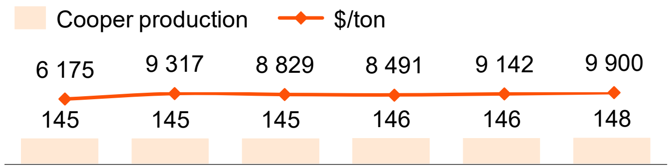
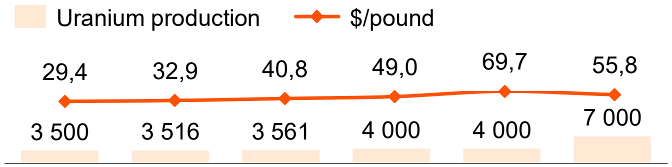
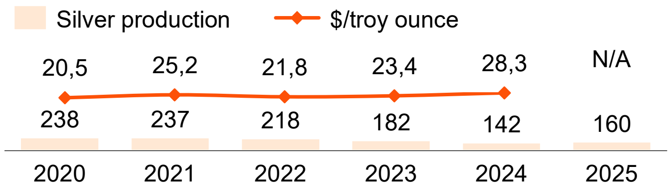
New Subsoil Law (2024): Transparent licensing, JORC-based reporting, and ESG alignment materially reduce regulatory and information risk for foreign investors

Minority IPOs (10–15%): Planned minority listings of NMMC, AMMC, and Navoiuran introduce market discipline, disclosure standards, and partnership optionality

$1.6 bn across 70+ critical mineral projects: Targeted investment into tungsten, lithium, rare earths, and vanadium aligns Uzbekistan with global critical minerals demand

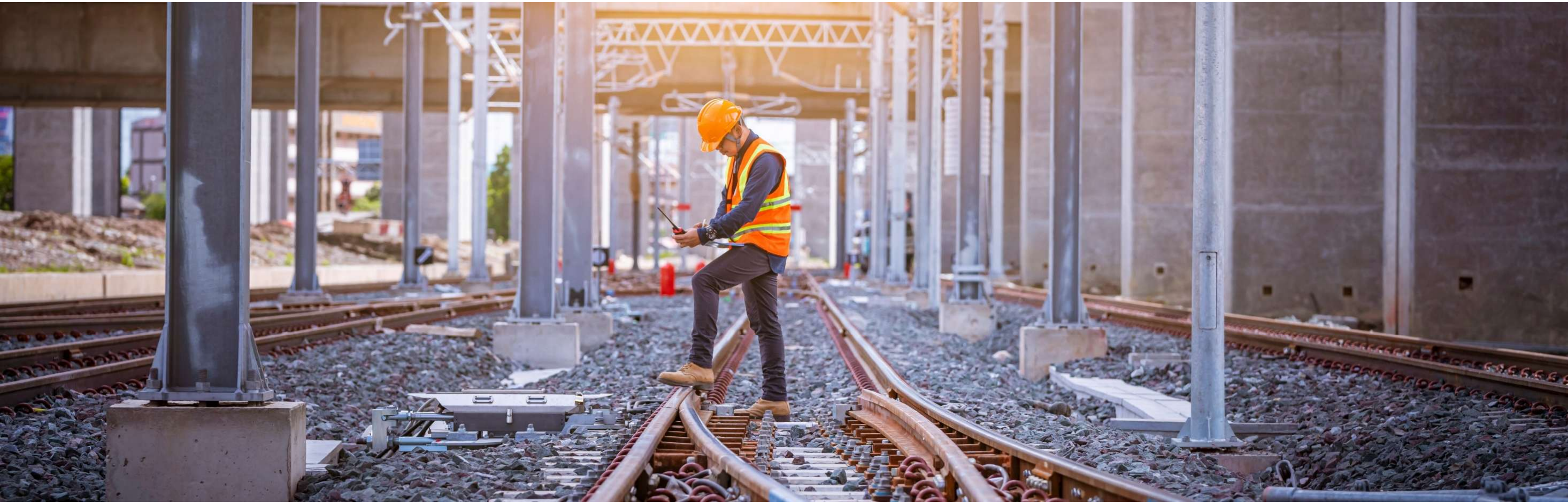
$3.4 bn, 10-year exploration programme: State-funded deep exploration de-risks early-stage geology and creates a pipeline of bankable assets for private capital

Strong export cash flows and structurally higher commodity prices underpin a scalable, expansion-driven investment case across Uzbekistan's mining sector

Uzbekistan production by key metals (2020-2025)	Key players	Strategy 2030 Target	Comments
Au **Gold,** tons 	**NMMC**	175 t/year	Cornerstone of the economy; ~29% of total exports ($9.9 bn); reserves of 4,355 t (140 Moz)
Cu **Copper,** '000 tons 	**AMMC**	3x increase (500 thsd t/year)	$4.62 bn Yoshlik-I expansion underway; total resources of 45.3 Mt Cu (6th globally)
U **Uranium,** tons 	**Navoyiuran**	2.1x increase (15 thsd tU/year)	Ranks 3rd globally; inaugural $300 mn Eurobond issued in 2025; diversified offtake to 5 international buyers
Ag **Silver,** tons 	**AMMC**	3x increase (480 t/year)	Entirely by-product driven; scaling depends on copper expansion programs

Over USD 1 bn in commitments from global mining leaders confirms Uzbekistan's emergence as a credible sourcing hub for critical minerals

	Country	Focus	Investment size	Key details
Orano S.A.	France	Uranium	Not disclosed	JV "Nurlikum Mining" (Orano 45%, Navoiiyuran 45%, ITOCHU 10%). Active industrial development; target up to 700 tU/year. World's 2nd-largest uranium producer (~9% global output)
Multinational Mine Group	Singapore	Gold	Not disclosed	Direct license holder for Karasai & Bashtavak deposits. Active construction underway; first production expected end-2025. Adheres to ESG, NI 43-101, and JORC standards
FLSmidth	Denmark	Copper, Gold, Molybdenum, Rare Earth Elements (REE)	~USD 215–217 million	Equipment supply for MOF-4 project + strategic cooperation with UzTMC. ~USD 215–217 million committed. Active supply agreement signed
Traxys	USA Luxembourg	Tungsten, Molybdenum, Copper, Critical Minerals	~USD 1 billion	Government-approved project portfolio. ~USD 1 billion announced. Planned roadmap adopted; representative office announced. Largest single foreign investment portfolio
Cove Capital	USA	Strategic & Rare Earth Minerals	Early-stage discussions	MoU with TMC signed April 2025
Denali Exploration Group	USA	REE, Lithium, Nickel, Cobalt	Early-stage discussions	Government cooperation agreement signed November 2025



2.10 Transportation and storage

Severe capacity constraints across transport and logistics infrastructure are creating immediate, bankable opportunities in toll roads, terminals, and rail modernization

Uzbekistan's transport and logistics infrastructure presents immediate, demand-backed opportunities for private capital, particularly through PPPs, corridor upgrades, logistics parks, and terminal expansions

Road transportation

Road network and its workload

- The road network of the Republic of Uzbekistan connects the country with the main trading partners and also allows access to seaports through neighboring countries
- There is a traffic density on several internal roads, including the «Kamchik» (which affects trade with China) and the Tashkent—Samarkand roads.
- It is planned to build additional toll roads, which will allow to unload the loaded sections of the road and reduce travel time.

Railway transportation

Railway network and its workload

- Uzbekistan's railway network links all major cities and industrial centers.
- A number of domestic railway sections in the country have limited capacity **(+70% loaded)**.
- Freight operations on internal railway sections take up a lot of time.
- The average workload of all border railway sections is **~26%**. An increase in the load of the border railway sections will lead to an overload of the internal ones.

Air transportation

Cargo terminal capacities and distribution

- Cargo traffic is concentrated in the cargo terminal of the airport in Tashkent. This cargo terminal has a workload of **+100%**
- The cargo terminal of the airport in Navoi accounts for an average of **24%** of the country's cargo traffic. The airport has modern equipment and infrastructure but has a workload of **11%** of the capacity.
- The capacity of the cargo terminal in Tashkent will be increased by **4 times** by 2026. Additional cargo terminals are being built in in other regions of the country (Bukhara, Urgench)

Warehouses

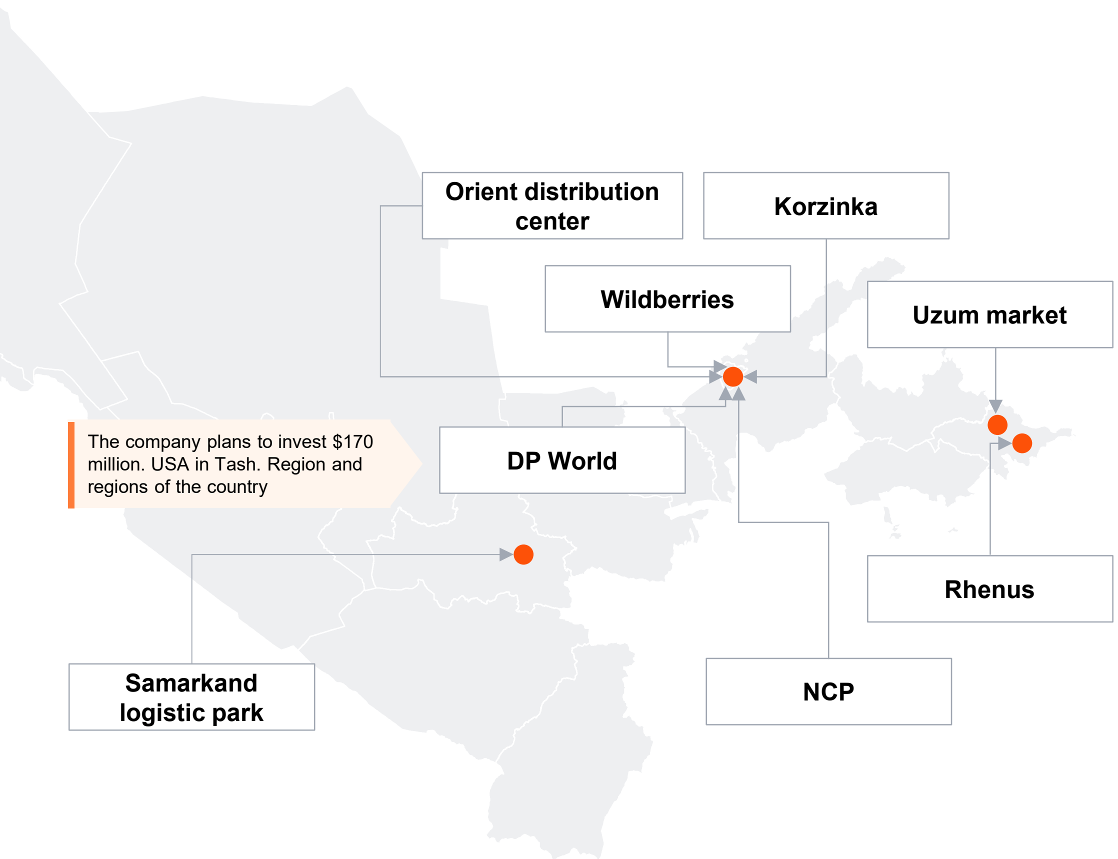
Services supply

- There is about 970 thousand m² of storage area in Uzbekistan. However, only Class A/B warehouses meet the export objectives, the area of which is **300-350 thousand** m².
- The share of vacant spaces in Class A/B warehouses decreased from 14% at the end of 2022 to 0% at the beginning of 2024.
- In particular, **an increase in Class A** storage facilities is expected, where the main players are Orient Logistics Center, Bayer Group, Samarkand Logistic Park, Wildberries, Uzum Market, Korzinka and foreign companies.

Positive factor | Neutral factor, need improvements | Negative factor

Uzbekistan’s warehouse market is concentrated and undersupplied in Class A assets

Planned location of warehouses



Player groups	Characteristics	Market share
MLC	• Location close to highways • Multimodal capabilities • Participation in international and transit traffic • Availability of a container terminal	**37%**
Own warehouses	• Open and indoor warehouses, cold rooms • Developed loading and transport. infrastructure	**29%**
Distributors	• Open and covered warehouses, cold rooms • Distribution within a country or region	**11%**
Small warehouses	• Open or indoor commercial warehouses with low load handling capacity • Focus on certain types of goods	**9%**

Company	Country	Profile	Warehouse type	Area. (ha)	Class
Uzum Market*		The largest marketplace	Own	50	A
Wildberries		Large Russian marketplace	Own	15	A
Orient		Logistics Center	Commercial	12	A
Korzinka		The largest supermarket chain	Own	4.9	A
DP World		Logistics Center	Commercial	-	-
Rhenus		Logistics Center	Commercial	1	A
NCP		Logistics center *plans to enter the market	Commercial	-	A

*Uzum plans that the total area of warehouses will be 50 hectares in a few years, but starts the construction of warehouses gradually

2.11 Banking and fintech

Digital players are rapidly reshaping Uzbekistan's state-dominated financial sector

	Banking Players	Fintech Players	Non-financial players*
# players	34 banks (9 public and 25 private)	40 paying players 2 payment system operators (UZCARD, Humo)	8 main players (with several market leaders)
Market structure	The credit share is 63%, **state-owned banks** and 37% **private banks** (47% retail)	**Click** (33%), **Paynet** (15%), **Payme** (14%)	**Uzum, Zood** and **Alif** have 90% of the BNPL market
Key players	NBU, KAPITALBANK, TBC, uzum bank, OFB, SQB, ANORBANK, Agrobank, ipotekabank otp group	click, PAYNET, Pay me, alif	wb, ozon, hambi, Yandex, aviasales, olcha, sello!, olx, market
Market size	Assets worth USD 76.9 billion (CAGR 2020-2025 +20.4%)	Non-cash transactions through payment organizations amounted to USD 25.8 (+82%) billion. USA for 2024	1 887 mln USD in e-com in 2025 г. (+22x с 2020 г.)
# customers	1.7 million business entities and ~25 million individuals in remote banking services	30 million users in fintech 1.9 million Active users in BNPL	Total ~10 million BNPL customers
Customer segments	All segments	Retail and SMB customers	Mainly retail customers and small and medium-sized business customers

Uzbekistan combines a large banking base with fast-scaling fintech platforms

50K
Fintech users

36%
Digital payment share

$900 mn
BNPL market size

$76.9 bn
Fintech users

52%
Bank assets / GDP

$50 bn
Credit portfolio

$25.8 bn
Fintech transaction volume, +58 YoY

$1 bn
GoU fintech FDI target by 2030

$20-25 bn
TIFC investment target by 2030

Creating Central Asia’s most diversified financial services growth story

Uzbekistan's fintech market is proven and attracting global capital

- TBC Bank built a 21M-user digital ecosystem while Uzum reached a $2.3B valuation with backing from Tencent and VR Capital

Islamic Banking Law Now in Effect

- Uzbekistan adopted Law No. ZRU-1126 (March 2026), creating a full regulatory framework for Islamic banking, including dedicated licensing, a Central Bank Islamic Finance Council and a tailored tax regime

The Tashkent International Financial Center will further accelerate growth

- Operating under English common law with a preferential tax regime, the TIFC is projected to attract $20–25B by 2030 and create 15,000 high-skilled jobs

2.12 Digital ecosystem

Rapid ICT growth and near-universal connectivity position Uzbekistan as a scalable digital investment platform

Overview of ICT sector indicators in 2025

$6.3 bn	~40%	2.7%
Market volume of ICT	ICT growth YoY	Of GDP

ICT market breakdown by segment in 2025

Segment	Total share	Value	Dynamic in UZS
IT & other services	43.2%	**$2.7 bn**	+52.9% YoY
Telecom services	31.3%	**$2.0 bn**	+18.6% YoY
Information services	15.5%	**$1.0 bn**	+70.8% YoY
Other services	10.0%	**$0.6 bn**	+27.4% YoY

Digital connectivity overview

32.1
(87% subscriber-to-population ratio)
Internet subscribers, mn people in 2024

36.3
(99% subscriber-to-population ratio)
Mobile subscribers, mn people in 2024

Opportunities

Mobiuz privatization:
Target valuation of USD 300 million with participation from 15 international bidders (US, Europe, Arab countries, and the Middle East, the South Caucasus, Eastern and Central Asia)

Data center development:
DataVolt MoU for up to 500 MW with USD 150 million planned for Phase 1

IT outsourcing and BPO:
0% corporate tax for IT Park residents until 2040 and a predominantly young workforce (60%+ under 30)

AI adoption:
National AI Strategy adopted in 2024 with 100 priority models; Government AI Readiness Index improved to 62nd (from 87th in 2023)

Uzbekistan’s mobile market is entering an infrastructure optimization phase, creating opportunities for sharing, carve-outs, and privatization-led investment

Mobile operators overview

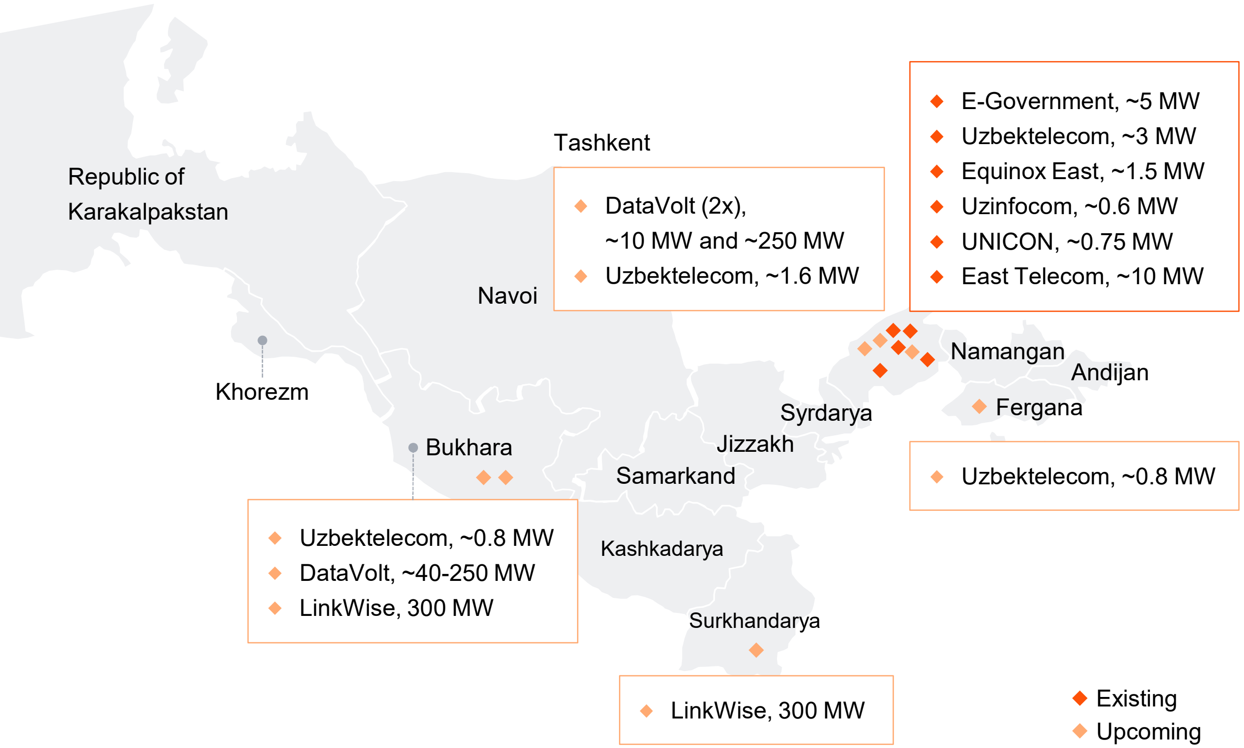
Company Name	Ownership	Description	Foundation Year	Key facts	Market share
UZTELECOM / UZMOBILE	State-owned	**“Uzbektelecom JSC”** provides services of fixed telephony, mobile communication (through the Uzmobile brand), Internet, IPTV and cloud solutions	1992	• 83% fixed broadband market share; 98% fixed-line; nationwide fiber backbone; deployed NSA 5G across all regional centers	~25%
Beeline / OQ	Private	**“Unitel LLC”** is a subsidiary of the Dutch VEON Ltd., which provides mobile communications, data and digital services	1996	• Hambi super-app: 4.3 mn MAUs (Q1 2025); Beepul fintech: 2.3 mn MAUs; BeeTV/Kinom ~1 mn MAUs; HQ relocated to IT Park	~23%
Ucell	State-owned	**“COSCOM LLC”** is operated by Digital Holding (51% Megafon/USM, 49% AUGA) that provides mobile communication and data services	1996	• Launched standalone 5G (Nexign 5GC core); competitive 4G/LTE	~27%
mobiuz	State-owned	**“UMS LLC”** provides mobile communication and data transmission services	2014	• Privatization launched June 2025; Rothschild & Co + KPMG + Deloitte advisory; 15 bidders from US, Europe, Arab countries, Caucasus, Central Asia; NBO deadline Oct 15, 2025	~22%
Perfectum	Private	**“Rubicon Wireless Communication LLC”** provides mobile communication and data transmission services	1995	• Partnering with **Nokia** for 5G SA network equipment; earlier announced with e& as tech partner; nascent subscriber base	~3%
HUMANS	Private	**“Humans Companies JSC”** is a digital operator that provides mobile communication and data transmission services	2020	• Digital-native challenger; B2C focused; reported financial loss after loan surge in 2024	

Source: Open sources, PwC analysis

Branch of the company   Subsidiary   Mobile operators with a separate tower company

Uzbekistan’s nascent data center market is transitioning from sub-scale capacity to hyperscale-ready development

Datacenters in Uzbekistan



Note 1: As of time of the study, Aug 2025
Note 2: The data center capacity figures exclude captive data centers that companies own and manage internally.

Comments:

- Current installed capacity remains very limited, indicating an early-stage market rather than saturation.
- Uzbekistan has several data center providers, owned by both private and public entities.
- Existing data centers are predominantly small-scale and service government or captive demand, underscoring the lack of commercial hyperscale facilities.
- Out of the existing datacenters, two large entities with the datacenters are Digital government data center and Uzbektelecom JSC’s Data centers, with the total capacity of ~8 MW.
- Site selection beyond Tashkent reflects power availability, land scale, and export-oriented data center economics rather than purely local demand.

Data Center Provider	Data Center Name
Digital Government project management center	Digital government system data center
Uzbektelecom	Uzcloud
Equinox	Equinox East
East Telecom	ET DX
Beeline	fortifAI
Independent Telecom Innovations Metrotelecom / ITI-IX	Tech-TAS-233 Tech-TAS-252
DataVolt	Upcoming
Uzbektelecom	Upcoming

Uzbekistan has built a full-stack IT Park ecosystem that systematically attracts, scales, and retains global tech companies and talent (1/3)

A Snapshot of the IT Park

Launched in Tashkent in 2019, IT Park functions as a central delivery mechanism for Uzbekistan's digital export and talent attraction strategy.

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.

Uzbekistan has built a full-stack IT Park ecosystem that systematically attracts, scales, and retains global tech companies and talent (2/3)

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 requirements 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 IT Park handles the paperwork and resources.

Program	Description
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 & VC IT Park Uzbekistan**: by 2024, **2,800+ residents**, 730+ foreign firms; exports to 90+ countries
- **IT Park Ventures**: launched Dec 2024; $10 mn state-backed VC fund

Uzbekistan has built a full-stack IT Park ecosystem that systematically attracts, scales, and retains global tech companies and talent (3/3)

Steps for Foreign Businesses to Become IT Park Residents in Uzbekistan

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IT park tax incentives*

Tax Type	Non-Residents	Residents of IT Park
Corporate income tax	5–20%, headline rate – 15%	**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	Generally, 0–15% (higher rates may apply depending on the type of goods)	**0%**
VAT on the Import of IT Services	12%	**0%**

*Applies until 1 January 2028; for export-oriented companies (more than 50% export revenue) – until 1 January 2040.

3

Sustainability

Uzbekistan’s sustainability agenda is anchored in binding targets and international commitments, providing long-term policy certainty for investors

Strategic goals of Uzbekistan

Strategic documents

- Uzbekistan 2030 Strategy
- Strategy for the transition of Uzbekistan to a green economy for 2019-2030
- NDC (2025)

50%

Reduction of specific GHG emissions per unit of GDP compared to the level of 2010 by 2035.

54%

Share of renewable energy in total consumption by 2030

30%

Reduction of energy intensity of GDP, stimulating the use of renewable energy sources by 2030

20%

Increase of energy efficiency in the industry by 2030

International Reporting Standards

- Global Methane Pledge (2022) signed – voluntary reduction of global methane emissions by 30% by 2030 compared to 2020)
- Plans to join OGMP 2.0 by 2028

UN SDGs

The Government of Uzbekistan adopted a resolution on the implementation of 17 UN Sustainable Development Goals (SDGs) until 2030

World Bank iCRAFT Project

Financial support for energy reforms in Uzbekistan to reduce GHG emissions and transition to a green economy

Convention on Biological Diversity

Uzbekistan has adopted the “Biodiversity Conservation Strategy for 2019–2028”, aimed at expanding protected areas and protecting rare species.

Convention to Combat Desertification

The Samarkand Declaration on Sand and Dust Storms in 2024 was officially included in the UN outcome document and offered to all parties to the Convention

UNFCCC/Paris Agreement

Uzbekistan commits to reducing emissions and adapting to climate change by 2030 (NDC)

Uzbekistan's enhanced NDC translates climate commitments into a sector-by-sector investment roadmap through 2035

NDC 1.0	NDC 2.0	NDC 3.0
10% Reduction in specific greenhouse gas emissions per unit of GDP by 2030, relative to the 2010 baseline.	35% Reduction in specific greenhouse gas emissions per unit of GDP by 2030, relative to the 2010 baseline.	50% **Reduction in specific greenhouse gas emissions per unit of GDP by 2035, relative to the 2010 baseline.**

NDC 3.0

Energy

- **25 GW** new renewable energy capacity by 2030
- **54% share of renewables** in electricity generation by 2030
- **64 bn kWh** of green energy production by 2030
- **2x** energy efficiency improvement rate by 2030
- **30 bn m³** natural gas consumption reduction by 2030
- **Energy sector GHG**: from 134 (2022) → 119 Mt CO_2-eq (2035)

Industry

- **30% methane emissions** reduction by 2030
- **10.5%** reduction in atmospheric pollutants by 2030
- **15% GHG reduction** at Almalyk Mining (770K t CO_2-eq) by 2030
- **35–40% gas savings** per ton of cement via dry-method transition
- **~2 Mt CO_2-eq/yr** reduction potential from NACAG (nitric acid)

Transport

- **2.5 Mt CO_2-eq/yr** reduction through planned measures
- **Electrification** of rail transport by 2030
- Conversion of **public transport fleet** to clean fuels
- Expansion of **EV charging infrastructure & grid integration**
- Government subsidies & preferential **lending for EVs**

Waste management

- **95% coverage** of solid waste collection system
- **35% of waste** used for energy generation
- Promotion of circular economy principles
- **Waste-to-energy** projects in Kashkadarya & Samarkand

Agriculture

- **34% GHG reduction** through circular economy measures
- Improved cattle breeding, diet & fertilizer efficiency

Forestry and land use

- **Expand forest cover** to 6.1 million ha
- **2.3 million ha afforestation** in the Aral Sea region
- Expand protected areas to **12–14.5%** of territory
- LULUCF sink: from -8 (2022) → **-14 Mt CO_2-eq (2035)**

Uzbekistan’s annual climate financing gap creates a direct, structured entry opportunity for private capital

- Uzbekistan's climate transition requires $20.4 bn annually under the NZ2055 scenario, while only $11.4 bn is currently available — creating a $9 bn annual financing gap that represents a direct and addressable opportunity for private capital

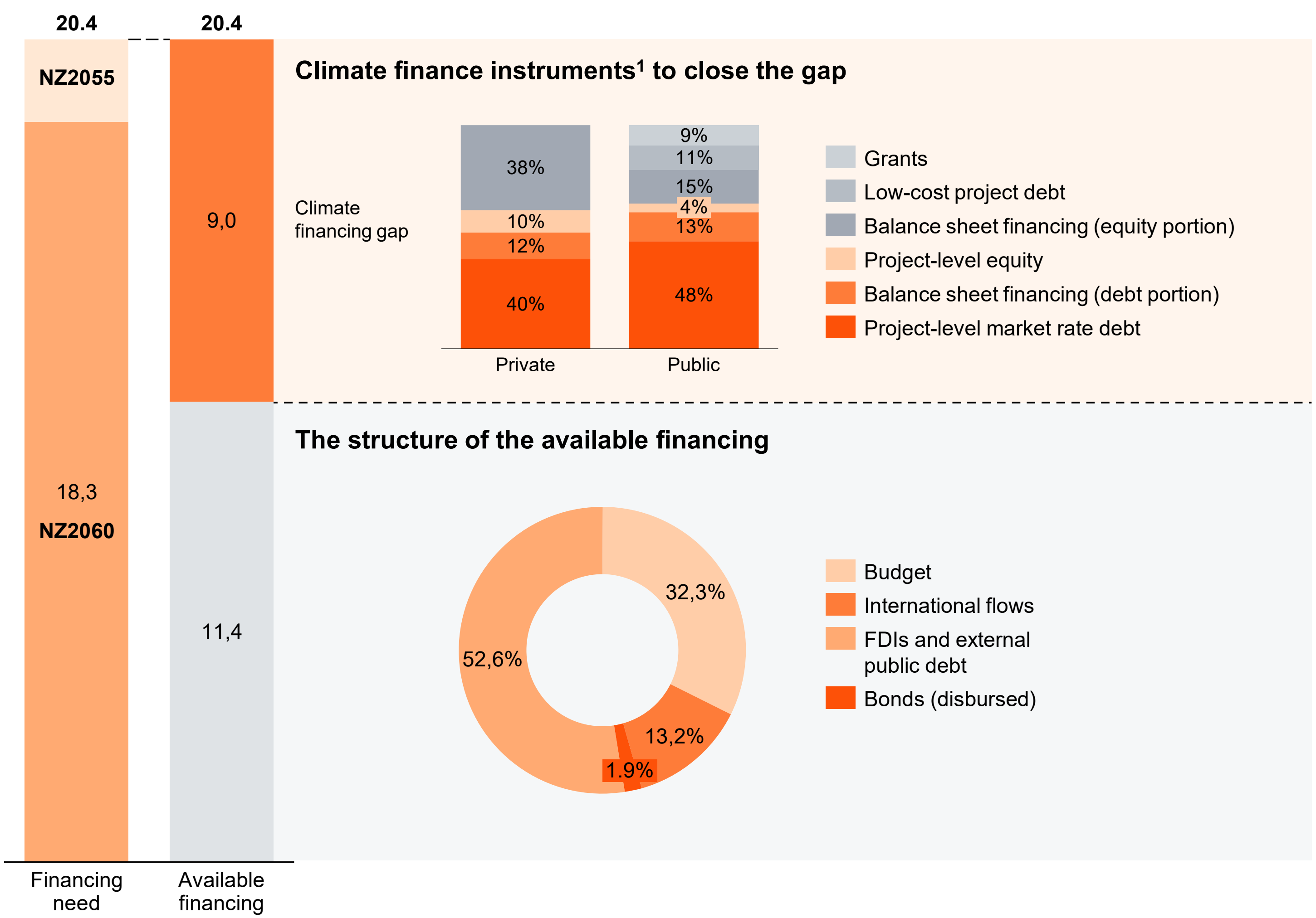
- Project-level debt (40% of the private financing mix) and project-level equity (12%) are the primary entry points for commercial investors

- Proven instruments already in use: green bonds ($660 million sovereign issuance in 2023), PPP-structured renewable projects ($26.5 bn mobilized to date), and emerging carbon credit–backed loans

- The government is actively scaling carbon pricing mechanisms under the 2023 Law on Limiting GHG Emissions, which is expected to further catalyze private flows into industry and energy

Uzbekistan's annual climate financing gap creates a direct, structured entry opportunity for private capital

Annual climate finance demand and supply in 2025, in billion USD



4

Tax and Customs

Overview of the standard tax regime (1/2)

	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 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, non-residents providing e-services	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 (subject to statutory minimum thresholds), overdue construction-in-progress	General rate – 1.5%; double rate may apply in certain cases (e.g. overdue construction-in-progress); 0,7% rate applies to public railway tracks, main pipelines, communication and power transmission lines
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

Overview of the standard tax regime (2/2)

	Tax	Taxpayers	Taxable base	Rate
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: 749 sums (≈ $ 0.062) per cubic meter • Underground water resources: 910 sums (≈ $ 0.075) 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 started 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.

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 (applicable to certain food, beverages, alcohol, tobacco, and oil and gas products) • the rates on tobacco and petroleum products have been increased by 7% from April 1, 2026 • progressive excise tax on sugary drinks has been introduced from April 1, 2026
Other fees, including customs clearance fees	1 – 75 BCU (≈$34–$2,550), 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).

Overview of Sectoral Tax Incentives

Incentives for SEZ participants

- Exemption from property and land tax.
- Accelerated depreciation for CIT purposes
- Exemption from customs duties. (except for customs processing fees).
- Exemption from customs duties (except for VAT and customs processing fees) for materials not produced in Uzbekistan and used in a project's construction phase.

Incentives for investment agreement parties

When not specified in legislation, the nature of incentives may vary, depending on the project's:

- Volume of investment
- Location
- Industry
- Socioeconomic impact and job creation

Incentives in the specific territories of the Fergana region

- 1% CIT
- 1% turnover tax
- 1% social tax
- 0.1 coefficient on property tax and land tax rates
- 0.1 coefficient on water usage tax rate
- 1% PIT

Incentives for newly established business entities in the Republic of Karakalpakstan

50% reduction of the following taxes:

- Property tax
- Land tax
- Turnover tax
- CIT

Incentives for IT Park residents

- 0% CIT rate
- 0% turnover tax
- 0% VAT
- 0% social tax
- 0% property tax
- 0% customs payments on importing goods of own need

Applicable until 01.01.2028; for export-oriented companies (more than 50% export revenue) – until 01.01.2040

Incentives for production sharing agreement ("PSA") participants

Should be determined by the PSA terms

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, Georgia and Turkmenistan), are exempt from customs duties.

EU GSP+

In 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.

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 an increased rate (unless eligible for customs duty exemptions).

Countries with MFN status

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

5

Snapshot of the legislation of the Republic of Uzbekistan

Legal Environment Overview

The Republic of Uzbekistan operates **a civil-law (continental) legal system** in which codified statutes are the primary source of law and judicial precedent has no binding force. The legal framework is structured around comprehensive codes — Civil Code, Economic Procedural Code, Criminal Code, Tax Code and others — that provide systematic, predictable regulation across all areas of business activity. Where there is a conflict between domestic legislation and a ratified international treaty, **the treaty prevails.**

Hierarchy of Legal Acts

Level	Instrument
1	**Constitution** of the Republic of Uzbekistan — the supreme legal act
2	**Constitutional Laws** — adopted by a qualified parliamentary majority on matters expressly reserved by the Constitution
3	**Laws** — adopted by the Oliy Majlis
4	**Presidential Decrees and Resolutions**
5	**Cabinet of Ministers Resolutions** — implementing regulations
6	**Ministerial and agency orders** — sector-specific rules

In practice, Presidential Decrees and Resolutions sometimes serve as the principal instrument for shaping economic and investment policy. The President exercises broad regulatory authority to introduce sector-specific incentives, establish special economic regimes, approve major investment projects and set detailed implementation rules — often ahead of, or in addition to, parliamentary legislation. As a result, foreign investors should pay close additional attention to Presidential-level acts, as they frequently define the specific terms, timelines and conditions that apply to investment activity on the ground.

Court System

Uzbekistan maintains a **unified court system** headed by the Supreme Court:

The Supreme Court — the highest judicial authority; hears cases on appeal/cassation and issues binding interpretive guidance

Unified Court System

- **Civil courts** — general jurisdiction over disputes involving individuals
- **Economic (commercial) courts** — business, corporate and insolvency disputes between legal entities
- **Administrative courts** — disputes between private parties and state bodies
- **Criminal courts** — criminal jurisdiction, including economic crimes

Separate / developing court:

The Tashkent International Commercial Court (TICC)
is being established as an independent court based on English common law to hear disputes involving foreign investors (does not operate in 2026).

Legal Environment Overview

International Treaties & Agreements

Uzbekistan is integrated into a broad network of international legal instruments that underpin investor confidence:

Investment protection & dispute resolution

- **Bilateral Investment Treaties (BITs):** over 50 BITs in force with key capital-exporting jurisdictions (including Germany, France, the United Kingdom, the Republic of Korea, Japan, China, Turkey, the UAE, and others), providing treaty-level guarantees of fair and equitable treatment, MFN status, expropriation safeguards and direct access to investor-state arbitration
- **ICSID Convention (Washington Convention, 1965)** — Uzbekistan is a Contracting State, enabling investors to bring claims to the International Centre for Settlement of Investment Disputes under the World Bank
- **New York Convention (1958)** — recognition and enforcement of foreign arbitral awards in Uzbekistan and Uzbek arbitral awards abroad
- **Convention on the Settlement of Investment Disputes between States and Nationals of Other States** — ratified, reinforcing the ICSID framework.

Legal Environment Overview

Trade

WTO accession process — Uzbekistan holds observer status and is in active accession negotiations; alignment of trade legislation with WTO standards is ongoing

CIS Free Trade Area Agreement (2011) — duty-free trade in goods with CIS member states (Russia, Kazakhstan, Belarus, Kyrgyzstan, Tajikistan, Armenia, Moldova and others)

GSP / GSP+ beneficiary status — preferential tariff access to EU and other developed markets for eligible Uzbek exports

Tax treaties

Double Taxation Treaties (DTTs): an extensive network of over 55

agreements for the avoidance of double taxation, covering major investor countries and providing reduced withholding tax rates on dividends, interest and royalties

Legal Environment Overview

Regional cooperation

1 Member of the **Shanghai Cooperation Organisation (SCO)**

2 Active cooperation framework with the **European Bank for Reconstruction and Development (EBRD),** the **Asian Development Bank (ADB)**, the **International Finance Corporation (IFC)** and the **Islamic Development Bank (IsDB)**

Laws and regulations

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

- Civil Code of the Republic of Uzbekistan;
- Labour Code of the Republic of Uzbekistan
- Law on Joint Stock Companies and Protection of Shareholder Rights;
- Law on Limited Liability Companies;
- Law On Licensing, Permitting and Notification Procedures
- Law On Investments and Investment Activity
- Resolution of the Cabinet of Ministers on State Registration of Business Entities;

Legal Environment Overview

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 limited liability companies (LLC) the maim option or joint stock companies (JSCs).

Please note that the establishment of a branch of a foreign company in Uzbekistan is not permitted.

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 formally cannot obtain licenses for activities that require them with minor case by case exemptions. To establish a PE, the company must submit the necessary documentation to the appropriate district tax office.

RepOffice

A Representative Office (RepOffice) is a separate subdivision 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.

Foreign Enterprise

A Foreign Enterprise is a commercial legal entity established in the Republic of Uzbekistan with the participation of a foreign legal entity or foreign individual. Such companies are typically incorporated in the form of a limited liability company but are subject to enhanced statutory requirements, including a minimum charter capital of at least UZS 400,000,000 (approximately 32,500 USD as of the May of 2026). Foreign enterprises are widely used for medium- to large-scale commercial activities requiring a stronger capital base, such as manufacturing, trading, and regulated sectors.

Company registration in Uzbekistan:
Quick guide for investors

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:

01 Preparation Phase (Preliminary 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, order on appointment of general director and shareholder's agreement if needed)
- Select the type of company activity according to the Official State Classifier of Economic Ac vi es of Uzbekistan
- Determine legal address by having own building or plant or a lease agreement
- Select a bank where the company will open its main account
- Foreigners must obtain a PINI (Personal Identification Number)
- In addition, the EDS shall be obtained
- If the Director of the Company is a foreign citizen, the local sim card must be secured on his/her behalf for the purposes of authentication in government and banking systems.

02 Registration Phase

- Choose a taxation regime (turnover or general tax)
- Submit documents online or via State Public Services Centre and pay the state fee
- The state fee compromises of – (375,000 UZS or ~30 USD ; 3,75m UZS or 300 USD for foreign shareholders over 400m UZS capital)
- Receive Certificate of Registration (within 1 business day)

03 Post-Registration Requirements

- Order a company stamp
- Open a corporate bank account (director must be present)
- Contribute charter capital within 1 year (no minimum limit)
- Register the lease agreement
- Register the director in Unified National Labour System

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04 Additional Compliance

Administrative compliance:

- 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)
- File the tax registration form with the local tax authories
- Update registration for changes (e.g., address, shareholders)
- Conclude the employment agreement with the director and employees

Certification and licensing:

- Some goods and services, produced or imported in Uzbekistan, are subject to mandatory certification (issuance of conformity certificates by the responsible state bodies). The list of products for which certification is compulsory is updated often.

Environmental assets:

- Entrepreneurship activities that could harm or threaten the environment are subject to environmental clearance. The 143 types of items and activities which currently require environmental clearance can be found via this Land acquisition **Link.**

Land acquisition:

- Non-agricultural land plots for entrepreneurial and urban development activities in most cases must be obtained via an online auction on the E-AUKSION platform.

IP rights and acquisition:

- The application for IP rights' registration must be filed with the IP Agency.

Labour matters:

- If the newly established Company intends to invite foreign citizens to Uzbekistan and apply for visas for them, it is first necessary to register with the MFA and obtain a registration number in the MFA system.
- It's necessary to apply for work permits (if the foreign national) intends to work on the territory of the Republic of Uzbekistan.

Corporate agreements

- As of 2025, Uzbek legislation has for the first time expressly recognised corporate agreements as a legal instrument. Pursuant to Law No. ZRU-1025 dated 7 February 2025 (effective from 8 May 2025), participants of LLC and shareholders of JSC may enter into a corporate agreement regulating Their corporate rights. While certain practical and enforcement-related aspects of corporate agreements are still to be clarified through further regulation and market practice, the introduction of this mechanism represents a significant reform and a clear positive signal for investors. It substantially expands contractual flexibility in corporate governance, investment structuring and shareholder relations, bringing Uzbekistan’s corporate framework closer to international standards.

Investment Law

Uzbekistan's core investment statute the **Law on Investments and Investment Activities (No. 598 dated 25.12.2019)** provides a unified legal framework for both foreign and domestic investors. The Law enshrines fundamental protections and guarantees that apply at every stage of the investment cycle, from market entry through operation to exit. Separate legislation governs concessions, production-sharing agreements, capital markets, PPPs, and special economic zones

Key definitions

- **Foreign investor** — a foreign state, international organisation, foreign legal entity, association, or individual residing outside Uzbekistan.
- **Foreign investment** — tangible and intangible assets (including IP and reinvested returns) placed by a foreign investor into business, social, scientific or other lawful activities.
- **Foreign direct investment (FDI)** — investment made at the foreign investor's own or borrowed funds and risk, without a government guarantee.
- **Enterprise with foreign investment** — an entity in which foreign investment accounts for ≥ 15 % of the charter capital (shares / stakes).

Investment Law

Permitted Forms of Investment

1. Establishing legal entities or acquiring equity stakes (shares, participatory interests)
2. Acquiring securities, including debt instruments issued by Uzbek residents
3. Obtaining concessions (including for exploration, development and extraction of natural resources) and entering into production-sharing agreements
4. Acquiring intellectual-property rights (patents, trademarks, utility models, industrial designs, trade names, know-how, goodwill)
5. Acquiring rights to land plots and rights to possess and use other natural resources
6. Any other form not prohibited by law; combining several forms is expressly permitted.

Investment Law

Beyond direct investment, Uzbekistan's legal framework offers a range of specialised regimes — including Public-Private Partnerships (PPPs), production-sharing agreements (PSAs), special and free economic zones (SEZs / FEZs), and concession arrangements — each providing distinct incentives and protections tailored to specific project types. The overall legislative environment is supportive of foreign investment, and the choice of the most suitable regime depends on the nature and scale of the project, the sector involved, and the mutual preferences of the investor and the Government.

Core State Guarantees

Guarantee	Substance
Non-discrimination	Equal treatment regardless of nationality, domicile, country of origin of investor or investment
National treatment+	The legal regime for foreign investments may not be less favourable than that for domestic investments
Most-favourable-provision rule	Where there is a conflict between the Investment Law and any other legislation or treaty, the provision most favourable to the investor prevails
No nationalisation	Investments and assets are not subject to nationalisation
Expropriation only in extremis	Requisition/expropriation is permitted only in extraordinary circumstances (natural disasters, epidemics, etc.), by decision of the Cabinet of Ministers, on a non-discriminatory basis, limited to the minimum necessary, and accompanied by adequate compensation
Free transfer of funds	Guaranteed repatriation of profits, dividends, royalties, proceeds of sale, salaries, dispute-settlement awards, and other income in foreign currency — subject only to tax compliance
10-year stabilisation ("grandfather") clause	If subsequent legislation worsens investment conditions, the investor may rely on the law in force at the date of investment for 10 years. The investor may also elect to apply any new provisions that improve its position
No retroactive adverse effect	Legislation may not be applied retroactively if it would harm the investor or the investment
Transparency	Unpublished regulatory acts have no legal force and may not serve as a basis for sanctions against investors

Investment Law

Investor Rights

- Freedom to determine volumes, types, forms and sectors of investment
- Right to own, use and dispose of investments and their results, including sale and export
- Free disposal of after-tax income
- Use of any owned property/rights as collateral for obligations (including borrowings)
- Right to adequate compensation in case of requisition/expropriation, challengeable in court or arbitration
- Right to recover damages caused by unlawful acts or omissions of state bodies

Government support and investment agreements

Beyond baseline guarantees, the Law establishes a robust framework of state support for investors — including the ability to enter into bespoke Investment Agreements with the Government, receive fiscal incentives and benefit from a dedicated institutional support infrastructure.

An Investment Agreement with the Government of the Republic of Uzbekistan is a bilateral contract between a foreign investor and the Government (represented by the Ministry of Investment, Industry and Trade) that provides additional guarantees and support measures (incentives, preferences) in exchange for defined investment commitments.

- Mandatory where additional government-level incentives/guarantees are granted
- Must include: investment object and volume, timeline, anti-corruption and anti-monopoly clauses, investor obligations (production, localisation, export targets, environmental/labour compliance), Government obligations, reporting, liability, dispute-resolution mechanism
- Enters into force upon approval by the President or the Cabinet of Ministers
- Termination safeguard: early termination by the investor triggers an obligation to repay unpaid taxes/duties attributable to the incentives received.

Investment Law

Incentives & Preferences*

Instrument	Description
Tax benefits	Exemptions / reductions on specific taxes, granted based on investment volume, location, sector, job creation, and expected socio-economic impact; Exemptions on land and property taxes, provided under the Tax Code
Investment tax credit	A deferred-payment mechanism allowing the investor to reduce current tax payments with subsequent phased repayment plus interest (per the Tax Code)
Investment subsidy	Financial assistance from the Government — may take the form of construction of external utility/infrastructure networks to the project site, and/or tax and customs benefits
Accelerated depreciation	Right to apply accelerated depreciation of fixed assets
Special & small industrial zones	Dedicated zone regimes with their own incentive packages
Regional-level preferences	Local authorities (Council of Ministers of Karakalpakstan, regional/Tashkent governors) may grant additional preferences funded from local budgets

Recent update

The list of incentive instruments in Article 34 of the Law on Investments and Investment Activities No 598 dated 25.12.2019 was amended in March 2025 (Law No. ZRU-1122 of 17 March 2025), streamlining the available forms of state support.

Enterprises with Foreign Investment Operational Highlights

1. May open and operate bank accounts **in any currency**, in Uzbekistan or abroad
2. Export of own-produced goods is **licence-and quota-free**
3. Import of goods for own production needs is **licence-free**
4. Personal belongings of foreign investors and their foreign employees residing in Uzbekistan **are exempt from customs duties**
5. Land plots are provided on **lease for up to 25 years** (minimum term matching the investor's application), allocated by the Cabinet of Ministers
6. Upon acquisition of ownership of buildings/structures, the **land-lease right transfers automatically**

Currency regulation and foreign exchange

Uzbekistan maintains a market-based foreign exchange regime governed by the Law on Currency Regulation (No. ZRU-573 dated 22.10.2019). The Central Bank of the Republic of Uzbekistan (CBU) serves as the sole currency regulation authority, setting the rules for foreign exchange operations, licensing currency exchanges, and publishing foreign exchange statistics in line with international standards. The framework is designed around three core principles: unity of the foreign exchange regulatory system, priority of economic (rather than administrative) measures, and non-interference in lawful foreign exchange operations of residents and non-residents.

Key points

Exchange Rate

The exchange rate of the Uzbek soum (UZS) is set exclusively through market mechanisms, based on supply and demand. The CBU publishes a reference rate for accounting, statistical reporting, and customs/tax purposes.

Domestic Payment Rules

UZS-only rule for domestic transactions. All settlements between Uzbek legal entitles for goods, works, and services within Uzbekistan are conducted in UZS. Prices, tariffs — including on national e-commerce platforms — and statutory capital requirements must be denominated exclusively in UZS.

No foreign-currency-pegging of domestic prices

Linking domestic prices to foreign currencies or conventional units is prohibited.
A narrow exception exists for projects with foreign investment under PPP agreements or investment contracts with the Government, where foreign-currency-linked pricing may be permitted by Presidential decree.

Current International Operations

Current international operations — including trade payments, interest and income transfers, loan repayments (within defined thresholds), and non-trade personal transfers — are conducted without limitations. Purchase or sale of foreign currency for these purposes is likewise unrestricted.

Currency regulation and foreign exchange

Foreign Exchange Operations, Repatriation and Practical Rules

Non-Resident Accounts & Foreign Exchange Access

Non-residents may open and use bank accounts in both foreign currency and UZS at Uzbek banks, provided the non-resident legal entity conducts activity within Uzbekistan. All foreign currency purchase and sale on Uzbekistan's territory is carried out exclusively through licensed Uzbek banks (no parallel or off-market channels).

Capital Movement Operations

FDI inflows and repatriation are explicitly exempt from restrictions. Trading in foreign-currency-denominated securities by residents and non-residents follows rules set jointly by the Capital Markets Regulator and the CBU.

Cash Import / Export by Individuals

Import of cash (UZS or foreign currency) into Uzbekistan: no limit. Export of cash from Uzbekistan: up to the equivalent of UZS 100 million; amounts exceeding this threshold require compliance with a procedure set by the Cabinet of Ministers. Legal entities (other than banks) are prohibited from physically importing or exporting cash currency.

Repatriation of Export / Import Proceeds

Foreign trade participants must ensure repatriation of assets from foreign trade operations (i.e., receipt of payment or goods from a non-resident counterparty). Key parameters:

Parameter	Rule
Repatriation deadline	If a non-resident's obligation remains unfulfilled for >180 days, the transaction is reclassified as a capital movement operation
Penalty trigger	Penalties apply if repatriation is delayed >45 days after the 180-day mark (90 days for SMEs)
Penalty scale	5 % of unrepatriated amount (up to 360 days); additional 10 % (360–545 days); additional 35 % (beyond 545 days)
Safe harbour (exporters)	No penalty if overdue receivables do not exceed 10 % of foreign exchange revenue earned over the preceding 36 months

Land Legislation

Land relations in Uzbekistan are governed by the Land Code of the Republic of Uzbekistan. Land is constitutionally designated as a national asset subject to rational use and state protection. While the land fund remains predominantly in state ownership, the law provides a structured system of rights through which domestic and foreign investors may access land for business, agriculture and development purposes. A modern system of permitted land-use types, electronic online auctions and state cadastral registration underpins the allocation and governance of land rights.

Land Rights Available to Investors

Right	Available to
Ownership	Uzbek citizens and legal entities
Permanent use	State bodies, institutions, enterprises
Lease	All entities, including **foreign investors** (foreign citizens, foreign legal entities, stateless persons and enterprises with foreign investments)

Lease Terms at a Glance

Land Category	Maximum Lease Term
Non-agricultural land (general)	Up to **100 years**
Non-agricultural land (foreign-invested enterprises, foreign persons)	Up to **25 years**
Agricultural land	**30 years**
Forest fund land	**3–49 years**

Land Legislation

How Foreign Investors Obtain Land

Route 1	Cabinet of Ministers allocation

- Land plots for enterprises with foreign investments, international organisations and foreign individuals/entities are provided in lease by decision of the Cabinet of Ministers
- The lessee must pay into the State Budget an amount calculated using coefficients applied to the market value of the lease right, as determined by an independent appraisal organisation
- Coefficients take into account soil quality (bonitet), administrative location and infrastructure availability

Route 2	Large investment projects (≥ USD 10 million)

- Agricultural and non-agricultural land may be provided by the Cabinet of Ministers to investors implementing a major investment project (≥ USD 10 million equivalent), selected through a best-proposal procedure
- Plot size is determined by the Cabinet of Ministers based on the investment volume

Route 3	Electronic online auction

- The default allocation mechanism for both agricultural and non-agricultural land
- Open to domestic individuals and legal entities; foreign investors typically proceed via Route 1 or 2

Land Legislation

Automatic Transfer of Land Rights with Buildings

- When ownership or operational management of an enterprise, building, structure, perennial plantings or other immovable property is transferred, the land-lease right (or other land right) automatically transfers with it — in the area occupied by the object and necessary for its use. Important: as of now, all land in Uzbekistan remains exclusively state-owned; accordingly, it is the right to use (lease) the land plot that transfers automatically — not ownership of the land itself.
- When only part of a building/structure is transferred, the land right transfers proportionally to the new owner's share.

Land-Use Types & Zoning

The Land Code establishes a three-tier system of permitted land-use types, determined by urban-planning documentation:

Type	Description
Primary permitted use	The principal activity for which the plot is designated; registered in the cadastre
Conditionally permitted use	Requires a **permit** issued by the territorial architectural-planning council
Auxiliary permitted use	Supplementary to the primary or conditionally permitted use; may not exceed the area used for the primary use

Land Legislation

Guarantees & Protections for Land Rights Holders

- **Non-interference:** Interference by state, economic or other bodies in the activities of landholders is **prohibited**, except as provided by law
- **Full compensation:** Losses (including lost profits) caused by violation of land rights are compensable **in full**
- **Compulsory acquisition (for public needs):** permitted only with **prior provision of full compensation** as prescribed by law; for privately-owned land — by decision of the regional People's Deputies' Council or the Cabinet of Ministers
- **Judicial protection**: disputes between legal and physical persons are resolved by **courts**; decisions of the Cabinet of Ministers or officials on termination of land rights may be **appealed to court**
- **Prohibition of retroactive cancellation:** Local state authorities and state management bodies **may not** terminate land rights by annulling or amending auction/tender results, except in cases expressly provided by the Land Code

Pledging Land-Lease Rights

01

Lease rights to land may be pledged solely for the purpose of obtaining credit

02

The lessee may pledge its lease rights without the lessor's consent where this is permitted by law or by the lease agreement

Land Legislation

Agricultural Land — Special Regime

Agricultural land enjoys **enhanced protection** under the Land Code. Key rules for investors:

- **Irrigated land** is subject to **special protection**; conversion to non-agricultural use or to non-irrigated status requires a **Presidential decree** in exceptional circumstances, supported by joint opinions of the Ministries of Agriculture, Water Resources and the Cadastre Agency
- **Particularly valuable irrigated land** (bonitet score > 20 % above district average) **may not** be converted to non-irrigated status under any circumstances
- **Agricultural land** must be used **strictly in accordance with its permitted use**; non-use for **1 year** (agricultural) or **2 years** (non-agricultural) triggers grounds for termination of land rights
- **Lease assignment (perenaim)**: an agricultural-land lessee may transfer its rights and obligations to another party, subject to:
  - a minimum **3-year own-use period** from registration of the lease right
  - for plots allocated by state decision without auction: a minimum **5-year hold** period
  - full payment of any outstanding auction/tender charges

Land Legislation

Payment for Land

Payment Type	Basis
Annual land tax	Based on type and location; rates set by tax legislation
Lease rent (state-owned land)	Equated to the **land tax** amount; lessees pay to the budget per the land-tax procedure
Lease rent (privately-owned land)	Freely agreed between lessor and lessee
Auction premium	Determined by competitive bidding at electronic online auction
Coefficient-based payment (foreign investors)	Market value × coefficient, paid to the State Budget upon allocation
Losses to agricultural/forestry production	Compensated separately when agricultural/forest land is converted for non-agricultural use

Land legislation in Uzbekistan is undergoing a gradual and carefully managed transformation. Private ownership of land was introduced only in 2025, marking a significant milestone; however, the practical infrastructure supporting the new regime is still being developed

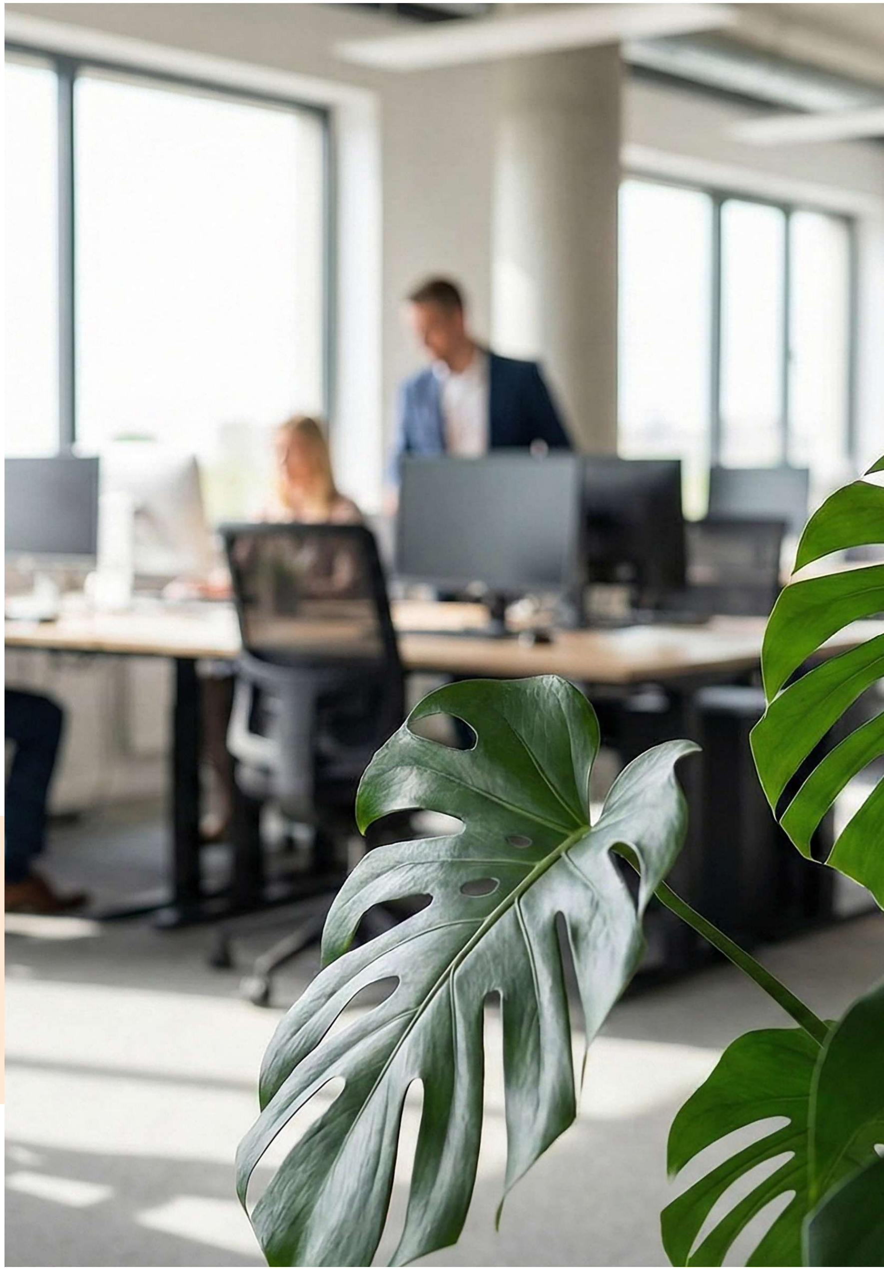
Labour Law

Employment Framework

The Labour Code of the Republic of Uzbekistan was entered in into force in 2023 and provides a comprehensive legal framework governing individual employment relationships, balancing the interests of employees, employers and the state. Uzbekistan's labour legislation guarantees equal employment rights regardless of nationality — foreign citizens and stateless persons enjoy the same labour capacity and rights as Uzbek nationals, unless otherwise stipulated by law or international treaty. Employment contracts must be registered in the inter-agency "Unified National Labour System" (ENST) digital platform.

Recent update

Employment contracts may now be executed in electronic form via the ENST platform. The personal identification number (PIN) replaces the previously required separate TIN and pension account references, streamlining onboarding. State agencies must independently verify identity and military service documents through inter-agency digital platforms, reducing the documentary burden on applicants.



Labour Law

Employment Contracts

Written form required — in paper or electronic format; at least two signed copies (one for each party). All contracts, amendments and terminations are subject to mandatory registration in the ENST	
Indefinite-term contracts are the default; fixed-term contracts **may not exceed 3 years** and require a justified basis (temporary replacement, seasonal work, project-based engagement, foreign employees, etc.). The aggregate duration of renewed fixed-term contracts **may not exceed 5 years**, after which the contract is deemed indefinite	
Probation period: up to 3 months (up to 6 months for CEOs, deputies, chief accountants and heads of branches)	
Minimum employment age: **16 years** (15 for light work with parental consent)	

Hiring Foreign Nationals

Foreign citizens lawfully entering Uzbekistan for employment must obtain a **work permit** issued by the competent authority, unless exempt by law	
The employment contract term **may not exceed** the validity of the work confirmation	
Highly qualified and qualified foreign specialists enjoy preferential treatment: work confirmations valid for up to **3 years** (renewable without limit), right to work part-time without a separate permit, and a 30-working-day grace period to find new employment upon early contract termination	
Minimum age for foreign workers: **18 years**	

6

Privatisation & SOE transformation

Privatisation & SOE transformation

Uzbekistan's privatisation framework is governed by the Law on Privatisation of State Property (No. ZRU-907 dated 14.02.2024), administered by the Agency for State Asset Management (AUSAM). The Law provides a transparent, competitive process for the sale of state-owned real estate, state equity stakes in business entities, and state institutions to private buyers — including foreign investors. The privatisation of state housing, non-agricultural land plots and assets located in small industrial zones is regulated by separate legislation.

Privatisation Methods

Method	Application
Auction	State real estate (excluding shares) with no special conditions; conducted as an **online electronic ascending-price auction**
Competitive tender	Where specific conditions are imposed on the buyer (investment commitments, environmental, operational); scored on a **100-point system** (up to 80 points for price, up to 20 for financial/non-financial conditions)
Public invitation to negotiate	Multi-stage structured process for complex or high-value assets; starting price is **not disclosed**; involves NDA, data room, non-binding → binding offers, and negotiation rounds
Competitive dialogue	Used when sale conditions, market requirements, or investment targets are **unclear**; structured bilateral/multilateral negotiations leading to binding offers
Stock exchange trading	Sale of state-held shares through the securities market, governed by the Securities Market Law
Contribution to charter capital	State equity stakes or real estate contributed as the state's share in a business entity's charter capital
Lease with subsequent privatisation	State institution leased to a business entity with a contractual path to full privatisation; may employ a **"regulatory sandbox"** regime for controlled transition

Privatisation & SOE transformation

Payment Terms

Purchase Price (in BRV multiples)	Maximum Payment Period
Up to 3,000 × BRV	3 months
3,000 – 6,000 × BRV	6 months
6,000 – 12,000 × BRV	12 months
12,000 – 15,000 × BRV	18 months
15,000 – 18,000 × BRV	24 months
18,000 – 20,000 × BRV	30 months
> 20,000 × BRV	36 months

1 A buyer who pays ≥ 35% of the purchase price within one month may pledge the acquired asset as collateral for credit (subject to providing an insurance policy or bank guarantee for the remaining payments)

2 If the first instalment is < 35%, interest accrues on the balance at the Central Bank base rate

Buyer Protections & Transparency

- **Privatised private property is inviolable** — the owner may not be deprived of it except by law and by court decision
- All privatisation information — programmes, sale notices, results, buyer identity and material deal terms — is published on **AUSAM's official website** at least 30 days before the start of trading
- Quarterly progress reports and an annual summary report (by 1 April each year) are published publicly
- **3-year limitation period** for disputes related to the buyer's performance under the purchase agreement
- **Mediation** is available for disputes between AUSAM and the buyer before court proceedings

Privatisation & SOE transformation

In parallel with the general privatisation framework, the Government has launched an ambitious programme for the international-market privatisation of Uzbekistan's largest state-owned enterprises. **Presidential Resolution PP-145 (21 April 2025)** sets out a concrete pipeline of trade sales and public equity offerings to be executed with the engagement of leading international professional advisors, with the objective of attracting strategic and portfolio foreign investors into core sectors of the economy.

Trade Sales (Public Tenders) — 29 enterprises

Equity stakes (shares/participatory interests) in **29 major SOEs** are to be offered on international and domestic markets through open public tenders, with internationally reputable professional consultants engaged for each transaction. Key sectors and notable assets include:

Sector	Selected Enterprises
Automotive	UzAuto Motors (99.7 %), UzAuto Motors Powertrain (100 %)
Energy	10 thermal power stations (100 % each); Uzbekistan GTL (100 %)
Mining & Metals	Uzmetkombinat (91 %); Navoi Azot (75 %); Sherobod Cement (100 %)
Telecoms	Universal Mobile Systems (100 %)
Insurance & Leasing	Uzbekinvest (75 %); Uzagrosugurta (99 %); Uzbek Leasing International (45.5 %); Uzagroleasing (97.5 %)
Infrastructure	Yulqurilish (100 %); Uzsuvqurilish (100 %); Shargunkomir (99.9 %)

Where state shares have been transferred under trust management, they are first offered to the trustee at appraised value

Privatisation & SOE transformation

IPO / SPO Programme — 12 enterprises (as per PD-145)

Enterprise	Offering	Timeline (status where applicable)
Navoi Mining & Metallurgical Combine	IPO (10–15 %)	H2 2025 (Delayed)
National Investment Fund	IPO (25 %)	H1 2026
Navoiyuran	IPO (10–15 %)	H2 2026
Uzbekistan Airways	IPO (15–20 %)	H2 2026 (Possible delays)
Almalyk Mining & Metallurgical Combine	IPO (10–15 %)	H1 2027
National Electric Grids of Uzbekistan	IPO (10–20 %)	H1 2027
Uzbektelecom	SPO (10–15 %)	H2 2027
Uzbekhydroenergo	IPO (15–20 %)	H2 2027
Regional Electric Grids	IPO (20–25 %)	H1 2028
Uztransgaz	IPO (15–20 %)	H1 2028
Uzbekistan Airports	IPO (15–20 %)	H1 2028
Hududgaztaminot	IPO (15–20 %)	H2 2028

Multiple IPOs are being conducted jointly with **Franklin Templeton**

The State Privatisation Commission (chaired by the Prime Minister) may adjust offering size, form and timeline based on market conditions

Key Safeguards for International Investors

- **International professional advisors** (investment banks, legal counsel, Big Four auditors) are engaged for all large-scale transactions
- Valuations and price ranges set by international advisors are used **as a benchmark** — not subject to national-standard appraisal verification
- Financial covenants under existing loan agreements of SOEs are taken into account before launching public tenders

7

Public-Private Partnerships

Public-Private Partnerships (PPP)

Uzbekistan operates a comprehensive PPP framework governed by the **Law on Public-Private Partnership** (No. ZRU-537 dated 10.05.2019), which also encompasses concessions as a form of PPP. The framework is supplemented by detailed implementing regulations set forth in Cabinet of Ministers Resolution No. 720 (30 October 2024), covering project implementation, tender procedures, land allocation and financing. The designated PPP authority is the PPP Project Centre operating under the Ministry of Economy and Finance, which serves as the central hub for project structuring, inter-agency coordination, registry maintenance and monitoring. Production-sharing agreements and public procurement fall outside the scope of the PPP Law.

Project Initiation — Two Pathways

	Public Initiator	Private Initiator
Who	State body / organisation	Entrepreneur, legal entity, or consortium
Process	Develops concept; submits for approval	Develops concept & project evaluation document; submits to prospective public partner
Timeline	Per approval thresholds below	Public partner decides within **30 calendar days**
If no competing interest	—	Direct negotiations with initiator; PPP agreement concluded **without tender** within 60 days of the PPP authority's clearance of the draft PPP agreement
If competing interest arises	—	Competitive one-stage tender among qualified bidders
Cost reimbursement	—	If the initiator loses the tender, the winner reimburses the initiator's actual preparation costs (up to **1 % of total project value**)

Public-Private Partnerships (PPP)

Eligible Sectors & Screening Criteria

PPP projects must satisfy all of the following conditions to qualify:

- Address economic, social or infrastructure objectives.
- Relate to activities currently performed by state bodies, state enterprises, budget organisations, or entities with ≥ 50 % direct/indirect state ownership.
- Deliver higher quality and/or coverage of goods, works or services compared to the status quo, and/or introduce innovative approaches.
- Involve private investment and/or advanced management expertise.
- Include measurable efficiency indicators and a rational risk allocation.
- Demonstrate proven demand and, where available, domestic or international precedent.

Concept Approval Thresholds

Project Value (USD equivalent)	Approval Authority
≤ USD 1 million	Public partner — independently
> USD 1 million – ≤ USD 10 million	Public partner, with PPP authority concurrence
> USD 10 million	**Cabinet of Ministers**

Private-Partner Selection

Criterion	One-Stage Tender	Two-Stage Tender
Applies to	Projects **≤ USD 1 million**	Projects **> USD 1 million**
Stage 1	Technical + commercial (financial) proposals evaluated together	Pre-qualification: assessment of bidder credentials against qualification criteria
Stage 2	—	Shortlisted bidders submit detailed technical and financial proposals (price/tariff mandatory)
Minimum bid period	**30 calendar days** from announcement	Pre-qual: **30 days**; final proposals: **45 days** from RFP dispatch
Minimum qualified bidders	—	At least **2** must pass pre-qualification

Public-Private Partnerships (PPP)

Agreement Duration

Minimum **3** **years**

Maximum **49** **years**

Extensions are possible subject to additional capital investment by the private partner and the consent of the relevant approval authority (matching the original project-value thresholds)

Key Guarantees for the Private Partner

- **Legislative-change protection**: if a change in law after execution of the PPP agreement directly increases the private partner's costs or reduces its revenues, the private partner may demand:
  - Compensatory increase in the availability payment and/or user charge
  - A lump-sum compensation from the public partner
  - Corresponding amendments to the PPP agreement
  - (The specific scope, conditions, limitations and exceptions are set out in the agreement itself)
- **Tax carve-out:** the above guarantee does not apply to general (non-discriminatory) changes in taxes and levies — only to discriminatory changes targeting specific PPP project(s)
- **Creditor protection:**
  - PPP agreements may include provisions guaranteeing creditor rights and specifying compensation upon early termination
  - Creditors may enter into **direct agreements** with the public partner (step-in rights, replacement of the private partner, information sharing)
  - The private partner may pledge to creditors **any form of security**, including its rights under the PPP agreement, receivables, profits, shares and project assets
  - Replacement of the private partner by the creditor/public partner does **not require a new tender**

Public-Private Partnerships (PPP)

Land Allocation for PPP Projects

1. Land plots required for a PPP project are leased by the public partner to the private partner for the duration and on the terms of the PPP agreement
2. Land is allocated to the public partner on a permanent-use basis without auction
3. Rent is calculated at an amount equivalent to the land tax; land-tax exemptions are factored in
4. Failure by the public partner to deliver the land plot entitles the private partner to unilateral termination
5. Termination of the PPP agreement automatically terminates the land lease

Payment Mechanisms

Mechanism	Description
Availability payment	Periodic payments by the public partner for making the PPP object available and operational
User charge	Payments collected by the private partner from end consumers of goods / works / services
Private partner → public partner	Fixed periodic amounts, lump sums, or a share of project revenues
Combination	The agreement may combine several payment types

Budget allocations for availability payments are **ring-fenced annually** in the relevant budget for the full term of the PPP agreement.

In **exceptional cases** (foreign-investment PPP projects), pricing of goods/services may **be denominated in or linked to foreign currencies** by Presidential decree.

General procedures for implementing PPP projects – initiated by **Public Partner**

Initiator – Public Partner

Implementation

Develop PPP Project Concept

- Public partner (state body/organisation) identifies priority sectors (economy/social sphere) within its competence
- Public partner develops a PPP project concept including objectives, scope, and expected outcomes

Preliminary Financial Assessment

- Conduct financial and economic calculations to ensure:
  - Assess project rationality, viability, optimal PPP structure and payment mechanism
- Specify proposed government support
- Ensure public consultations

Concept Submission

- The PPP project concept must be formally evaluated and approved by the Department for Development of PPP
- Approval process based on project value:
  - **< USD 1 million:** approved by the Public Partner
  - **USD 1–10 million:** approved by the PPP Department
  - **> USD 10 million:** approved by the Cabinet of Ministers

Next steps

- Possible outcomes:
  - ✓ Approve,
  - × Reject,
  - ○ Return for revision
- Public partner can proceed to procurement phase in case of approval by relevant government authority

Selection of a Private Partner

- Launch competitive tender process under PPP Law
- Tender can be **two types**:
  1) **One-stage tender** is for projects **< USD 1m.**
     - Bidders submit full technical and financial proposals.
     - May include negotiations before final offers.
  2) **Two-stage tender** is for projects **> USD 1m**
     - Stage 1: Pre-qualification (RfQ)
     - Stage 2: Submission of detailed proposals (RfP).
- Selection of winning bidder and reserve winning bidder.

Contract negotiation and signing

- Negotiate and finalise PPPA (and GSA – optional)
- **If winning bidder withdraws:**
  - ✓ Invite reserve bidder;
  - × If declined, tender fails**.**
- Private partner enters into success fee agreement with the MoEF and pays success fee for the implementation of PPPA

General procedures for implementing PPP projects – initiated by **Private Partner**

Initiator – Private Partner

Project Identification and Initiation

- Private entity identifies public needs and develops innovative PPP concept.
- May hold informal discussions with public authority before submission.

Proposal submission

- Private initiator conducts own feasibility analysis (scope, technical solution, financial model, risk-sharing).
- Submit detailed concept to public authority.

Market test and Partner selection

- In case of concept approval, public notice that includes the project concept and request for qualifications, published on official and specialized websites.
- **No expression of interest within 45 days**: The public partner proceeds directly with the original initiator. Direct negotiations begin to finalize the PPPA (60 days to finalize).
- **Competitors declared**: The selection of the private partner is carried out through tender.
- If tender fails, revert to direct negotiation.
- Initiator reimbursed up to 1% of project value if loses.

Direct Negotiation Path (if applicable)

- Negotiate and finalize PPP agreement with the initiator

Tender path (if applicable)

- Sign with winning bidder (initiator or other)
- Reserve bidder rules apply.

Contract negotiation and signing

General procedures for implementing PPP projects – varying by cost side

< 1mln USD

Approval and Responsible body

The concept is approved by the relevant sectoral government authority (e.g., line ministry or public agency).

Process Steps

1. **Project Identification & Preparation:** The public partner (sectoral authority) identifies the project and prepares the concept and evaluation documents.
2. **Submission & Approval:** Documents are submitted to the relevant authority for review and approval.
3. **Tender Process:**
   - Single-stage tender.
   - Announcement of tender, submission of bids, evaluation and selection of the private partner.
4. **Agreement Execution:** Signing of the PPP agreement and project implementation

1-10mln USD

Approval and Responsible body

The concept is approved by the relevant government authority with the consent of the MoEF.

Process Steps

1. **Project Identification & Preparation:** The public partner prepares the concept and supporting document
2. **Submission to PPP Department:** Documents are submitted to the Department for Development of PPP and the MoEF for review
3. **Approval:** Joint approval by Public Partner and the MoEF.
4. **Tender Process:**
   - Two-stage tender (prequalification and proposal).
   - Announcement of Request for Qualifications (RfQ), evaluation and pre-selection.
   - Announcement of Request for Proposals (RfP)
5. **Agreement Execution**: Signing of the PPP agreement and project implementation

>10mln USD

Approval and Responsible body

The concept is approved by the Cabinet of Ministers of Uzbekistan.

Process Steps

1. **Project Identification & Preparation:** The public partner prepares the concept and evaluation documents.
2. **Submission to Cabinet of Ministers:** Documents are submitted for high-level review and approval.
3. **Approval:** Cabinet of Ministers issues a decree approving the project.
4. **Tender Process:**
   - Two-stage tender (prequalification and proposal).
   - Announcement of RfQ, evaluation, and pre-selection.
   - Announcement of RfP, bid submission, evaluation, and selection.
5. **Agreement Execution:** Signing of the PPP agreement and project implementation

Standard Tender process

01

Concept Development & Approval

- Project identification, conceptualisation, and preparation of appraisal documents
- Submission of documents to PPP department
- Submission of project concept to authorized body based on the project cost
- Approval of the Concept

~50-80 days

02

Pre-procurement & Qualification

- Announcement of **Request for qualifications (RfQ)**
- Evaluation and pre-selection of tenderers

This phase ensures only qualified bidders proceed to the proposal stage

~60 – 120 days

03

Procurement & Proposal Evaluation

- Announcement of **Request for Proposals (RfP)**
- Explanations (clarifications during bidding)
- Announcement of winning and reserve bidders

Covers competitive bidding and selection of the best proposal

~110 – 140 days (depending on scale/sector – up to 270 days)

04

Closing

- Commercial closing
- Issuance of the decree (depends on project)
- Financial closing

Formalises the decision, executes agreements, and secures financing for implementation

~120 – 150 days

8 Tashkent International Financial Centre: Expanding Opportunities for Global Investors

Tashkent International Financial Centre (TIFC)

The Tashkent International Financial Centre (TIFC) is a dedicated financial free zone established by Presidential Decree No. PF-48 of 30 March 2026. The TIFC will operate under a special legal regime based on the principles of the common law of England and Wales.

The acts and regulations adopted by the TIFC authorities will apply within the Centre, while the common law of England and Wales will be applied as a supplementary source in matters not expressly regulated by such acts. The TIFC's legal and institutional design draws on the proven models of the Dubai International Financial Centre (DIFC) and the Astana International Financial Centre (AIFC) — two of the most successful financial free zones in the region.

The TIFC represents a very promising opportunity and a breakthrough in Uzbekistan's ambition to transform Tashkent into a regional financial hub and integrate the country into the global financial system.

Key Objectives

Pillar	Description
Investment attraction	Create a transparent, competitive legal and institutional environment to channel foreign and domestic direct investment into the economy
Capital markets development	Accelerate securities trading and integrate Uzbekistan's capital markets with international exchanges
Financial services diversification	Develop banking, insurance, Islamic & green finance, fintech, digital (crypto) assets, e-commerce, and payment services
Innovation & professional services ecosystem	Build a modern ecosystem of audit, consulting, legal, and compliance services, adopting best practices from leading international financial centres

Tashkent International Financial Centre (TIFC)

Participant Rights & Preferences

- **Foreign currency & crypto settlements.** TIFC participants may fulfil monetary obligations (payments, salaries, etc.) in foreign currencies or crypto assets as stipulated in their contracts — a unique carve-out from Uzbekistan's general UZS-only domestic payment rule.
- **Unrestricted capital repatriation**. Participants enjoy the right to repatriate capital and income derived from activities within the TIFC without any restrictions.
- **Simplified hiring of foreign nationals**. TIFC participants may employ foreign citizens without obtaining a work permit.
- **Special visa regime**. Entry visas of up to 5 years are available for TIFC employees, participants, and their family members under a dedicated fast-track procedure. In addition, a Golden Visa programme (Presidential Decree No. UP-67 of 18 April 2025) offers long-term residency rights and additional preferences for high-net-worth individuals and international investors meeting prescribed investment or capital thresholds.
- **Mutual recognition**. TIFC is empowered to conclude agreements with other international financial centres on mutual recognition of residents, licences, and information exchange between financial regulators.

Permitted Activities

- Banking, investment, and financial services
- Insurance and reinsurance
- Securities trading and capital markets activities
- Islamic and green finance
- Fintech and payment systems / services
- Digital (crypto) assets
- Audit, consulting, and legal services
- Other activities as defined by the Constitutional Law on TIFC

Tashkent International Commercial Court

The **Tashkent International Commercial Court (TICC)** is being established as an independent court based on English common law to hear disputes involving foreign investors. It consists of a **court of first instance and an appellate court.** TICC judgments are binding and enforceable under the same procedures as decisions of Uzbekistan's national courts.

Jurisdiction of the TICC:

- Disputes arising from the activities of the TIFC (and the International Digital Technology Centre);
- Contractual disputes where the parties have elected TICC jurisdiction;
- Administrative disputes involving a foreign enterprise, an enterprise with foreign investment, or a foreign individual investor as a party;

Tashkent International Financial Centre (TIFC)

Any administrative-law dispute (including economic sanction cases) brought by a business entity that voluntarily pays the full court fee and waives recovery of costs from the state body;

Matters arising from or connected with **international arbitration proceedings** seated in Uzbekistan and administered by international arbitral institutions.

Note:

The TICC is not yet operational as of mid-2026 — its launch is contingent on the full establishment of the TIFC, including the adoption of the Constitutional Law. Once operational, the TICC will serve as a core institutional element of the Centre, providing foreign investors with access to an independent, English common law-based judiciary within Uzbekistan

Tashkent International Financial Centre (TIFC)

Tax Incentives (valid until 1 January 2076 — set for a 50-year period)

Pillar	Description
Corporate income tax (CIT)	**Exempt** — on income from services rendered within the TIFC (except crypto-asset exchanges*)
Social tax	**Exempt** — same scope as CIT exemption
PIT — foreign nationals & stateless persons	**0 %** — full exemption on salary income earned within TIFC
PIT — Uzbek residents	**7 %** flat rate on salary income from TIFC bodies/participants
Property tax & land tax	**Exempt** — for premises in possession or use of TIFC bodies
Customs duties	**Exempt** — on goods imported for use or consumption within the TIFC
VAT	**Exempt** — on financial, investment, banking, insurance, fintech, payment services, and other designated activities within TIFC
Capital gains — securities	**Exempt** — on sale of securities listed on the TIFC Stock Exchange official list
Capital gains — equity stakes	**Exempt** — on sale of shares / participatory interests in TIFC participant entities
Dividends & interest	**Exempt** — on dividends and interest from securities listed on the TIFC Stock Exchange

*Tax incentives applicable to cryptocurrency transactions are provided under separate legislation.

The establishment of the TIFC by Presidential Decree PF-48 is an **important first step**, but the **full operationalisation of the regime will take time**. The TIFC's special legal framework requires substantial amendments to Uzbekistan's broader legislative framework, **including at the constitutional level**. A draft **Constitutional Law on the TIFC** has been published for public consultation; its adoption is expected to take time, after which further secondary regulation will need to be developed and adopted.

Notwithstanding this transitional period, the TIFC offers a **unique and highly attractive long-term opportunity** for international financial institutions, investors and professional services firms. Early engagement with the authorities — during the framework-setting phase — will allow market participants to help shape the regulatory environment and secure a **first-mover position** in Central Asia's newest financial hub.

9

Islamic Banking & Islamic Finance

Islamic Banking & Islamic Finance

Uzbekistan has established a comprehensive legal foundation for Islamic banking and finance through **Law No. O'RQ-1126 (27 March 2026, effective 29 June 2026),** which introduces targeted amendments across the Central Bank Law, the Law on Banks and Banking Activity, the Civil Code, the Tax Code, the Deposit Guarantee Law and other key statutes. The framework enables banks to conduct Sharia-compliant financial operations alongside — or instead of — conventional banking, under the supervision of the Central Bank of the Republic of Uzbekistan.

Key Definitions

Islamic banking activity — banking activity conducted in accordance with banking legislation and Islamic finance standards

Islamic finance standards — a body of rules adopted by the Central Bank and/or other authorised bodies in line with international Islamic finance standard-setting organisations and national legislation

Islamic finance operations — financial operations carried out by banks and microfinance organisations on the basis of Islamic finance standards

Licensing Model — Three Pathways

Uzbekistan adopts a flexible dual-licensing architecture allowing banks to choose the model that fits their strategy:

	Licence Type	Permitted Operations
1	**Conventional banking licence only**	Full range of conventional banking operations
2	**Islamic banking licence only**	Conventional operations (accounts, payments, transfers) **plus** the full range of Islamic finance operations — but **no interest based** lending / deposit-taking
3	**Both licences (dual licence)**	Full range of **both** conventional and Islamic operations, with mandatory **separate accounting** for Islamic finance activities

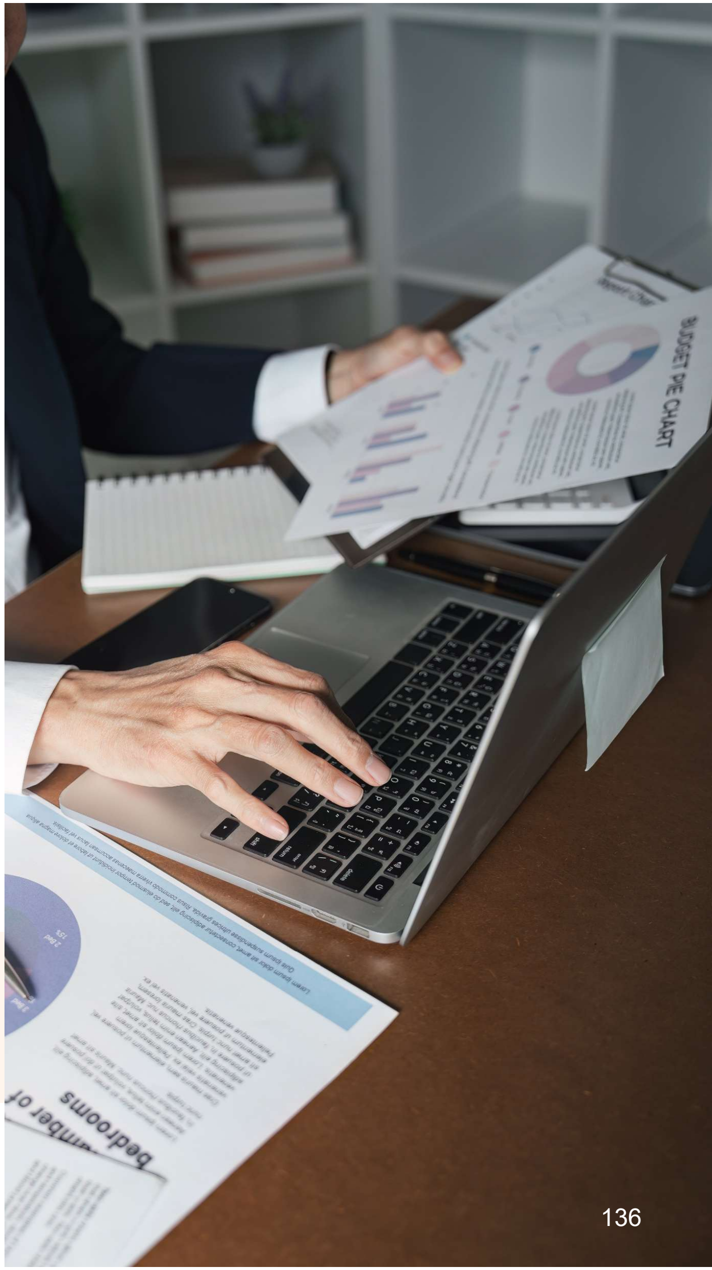
- Licences are issued by the Central Bank for an unlimited term and are non-transferable
- Existing conventional banks may apply for an Islamic banking licence by submitting a 3-year business plan (market analysis, financing plans, products, risk management), governance documents and evidence of separate accounting capability
- The Central Bank decides within 2 months of receipt of a complete application
- Microfinance organisations may convert to Islamic microfinance banks; microfinance banks may upgrade to fully-fledged Islamic banks

Islamic Banking & Islamic Finance

Permitted Islamic Finance Operations

Product	Description
Profit-sharing financing (Mudarabah)	Financing clients or attracting investment deposits on the basis of profit distribution
Agency-based financing (Wakalah)	Placing or attracting funds through an agency (representation) agreement
Deferred-sale financing (Murabahah)	Financing a client by selling goods on a mark-up, deferred-payment basis
Advance-payment financing (Salam)	Financing by making advance payment for future delivery of goods
Partnership financing (Musharakah)	Joint activity (partnership) or equity participation in legal entities
Islamic lease (Ijarah)	Leasing of assets with a purchase option
Other operations	Any other Sharia-compliant operations consistent with international banking practice and Uzbek law

- All Islamic finance operations must comply with **Islamic finance standards** approved by the Central Bank.
- Islamic banks are **exempt from the general prohibitions** on direct trade activity and on acquiring equity stakes in legal entities — to the extent such activities constitute Islamic finance operations.



Islamic Banking & Islamic Finance

Deposit Guarantee

The national **Deposit Guarantee System** (governed by Law No. URQ-1031 of 18 February 2025) applies equally to Islamic banking:

Banks holding an Islamic banking licence are **required to participate** in the guarantee scheme.

Investment deposits (Sharia-compliant deposits where return of principal is not guaranteed) are **included** in the scope of the deposit guarantee.

The Deposit Guarantee Fund may invest its assets through Islamic finance instruments.

In case of insolvency, the Fund may provide emergency liquidity support using Islamic finance instruments.

Islamic Banking & Islamic Finance

Tax Treatment of Islamic Finance Operations

VAT Exemptions:

- Operations with **Islamic securities** (sukuk / certificates) — issuance, custody, transfer, registry, trading (excluding printing services)
- **Agency / trust management fees** charged by banks and MFOs to clients under wakalah-type arrangements
- The **positive difference** between total lease payments (plus purchase price) and cost in **Islamic lease** (ijarah) transactions
- The **mark-up** on goods sold to clients under murabahah-type contracts

Profit Tax:

- Islamic finance income (mark-ups, profit shares) is included in gross income and taxed under general rules
- **Charitable donations** made from late-payment penalties collected under Islamic finance contracts are **deductible** from the profit tax base
- Revenue recognition by credit organisations follows **IFRS and/or national accounting standards**

Personal Income Tax:

- Income received by individuals under wakalah, trust management or partnership deposit agreements with Islamic banks/MFOs is exempt from personal income tax

Personal & Land Tax:

- Banks and MFOs acting as Islamic lessors (ijarah) of immovable property are recognised as taxpayers for property tax and land tax purposes

State Duty:

- **Exemption** from state duty when property is transferred to a bank or MFO for subsequent sale to a client under Islamic finance operations
- Licence fee for Islamic banking: **0.1%** of the minimum charter capital for the bank being established

External Sharia Audit

- Banks holding an Islamic banking licence must undergo an **annual external Sharia audit** to verify that all Islamic banking activities comply with Islamic finance standards
- This is in addition to the conventional financial audit requirements

Law No. O'RQ-1126 creates a comprehensive legal and regulatory basis for conducting Islamic banking and Islamic finance operations in Uzbekistan. Since the Law only takes effect on 29 June 2026, no Islamic banking licences have yet been granted, and the market remains at a pre-launch stage. **This provides a first-mover opportunity for international Islamic financial institutions, investors and existing Uzbek banks planning to enter the segment**.

10 Appendix

Logistics routes (1/3) Europe

Uzbekistan → **Europe**

Ground transport
Sea transport

Modality (from Uzbekistan)					Destination	Cost (thsd USD)*	Days
Turkmenistan**	Azerbaijan	Georgia			**France**	5600	40-45
Kazakhstan	Russia	Belarus	Lithuania		**Poland**	3400	9-11
Kazakhstan	Russia	Belarus (overload)			**Poland**	4300	14-15
Turkmenistan	Iran	Turkey	Bulgaria		**Romania**	5900	23-25

– Truck with a carrying capacity of 22 tons

(Ship/Train) – 40ft container

- Rates are calculated for general cargo that does not require special/special transportation conditions. Rates for perishables and other products that require a special temperature regime will be 15-20% higher than those provided.
- The cost and time of transportation are calculated taking into account 1 driver in terms of road transportation. The presence of 2 drivers (shift management of road transport) can reduce the transportation time and increase its cost.

*Prices are valid as of 04.04.2025
**Roll-on/Roll-off vessel

Logistics routes (2/3) Middle East

Uzbekistan → **Europe**

—— Ground transport
- - - - Sea transport

Modality	Cost (thsd USD)*	Days
Uzbekistan – Turkmenistan – Iran – Turkey – **Egypt**	4600	35-40
Uzbekistan – Turkmenistan – Iran** – **UAE**	4100	35-40
Uzbekistan – Turkmenistan – Iran – **Turkey**	3500	14-16

■ – Truck with a carrying capacity of 22 tons

◆ ● (Ship/Train) – 40ft container

- Rates are calculated for general cargo that does not require special/special transportation conditions. Rates for perishables and other products that require a special temperature regime will be 15-20% higher than those provided.
- The cost and time of transportation are calculated taking into account 1 driver in terms of road transportation. The presence of 2 drivers (shift management of road transport) can reduce the transportation time and increase its cost.

*Prices are valid as of 04.04.2025
**Roll-on/Roll-off vessel

Logistics Routes (3/3) Asia

Uzbekistan	Europe

Ground transport
Sea transport

Modality				Cost (thsd USD)*	Days
Uzbekistan	Turkmenistan	Iran	**India**	3800	35-40
Uzbekistan	Kazakhstan		**China**	3400	15-20
Uzbekistan	Kazakhstan	Russia	**South Korea**	3200	35-40

– Truck with a carrying capacity of 22 tons

(Ship/Train) – 40ft container

- Rates are calculated for general cargo that does not require special/special transportation conditions. Rates for perishables and other products that require a special temperature regime will be 15-20% higher than those provided.
- The cost and time of transportation are calculated taking into account 1 driver in terms of road transportation. The presence of 2 drivers (shift management of road transport) can reduce the transportation time and increase its cost.

*Prices are valid as of 04.04.2025

Let’s discuss

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