



Invest in New Uzbekistan !

UZIPA

*Investment Promotion Agency
of the Republic of Uzbekistan*

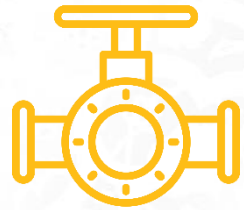
Strategic location and developed infrastructure in the heart of the Silk Road

Uzbekistan has a strategic position in the middle of Central Asia



East Asia + Southern Europe

Connecting China, Kyrgyzstan and Uzbekistan



13,7K km
length of gas pipelines



237K km
length of power grid



4,7K km
length of well-developed system of railways



184K km
length of automobile roads

DEVELOPED INFRASTRUCTURE

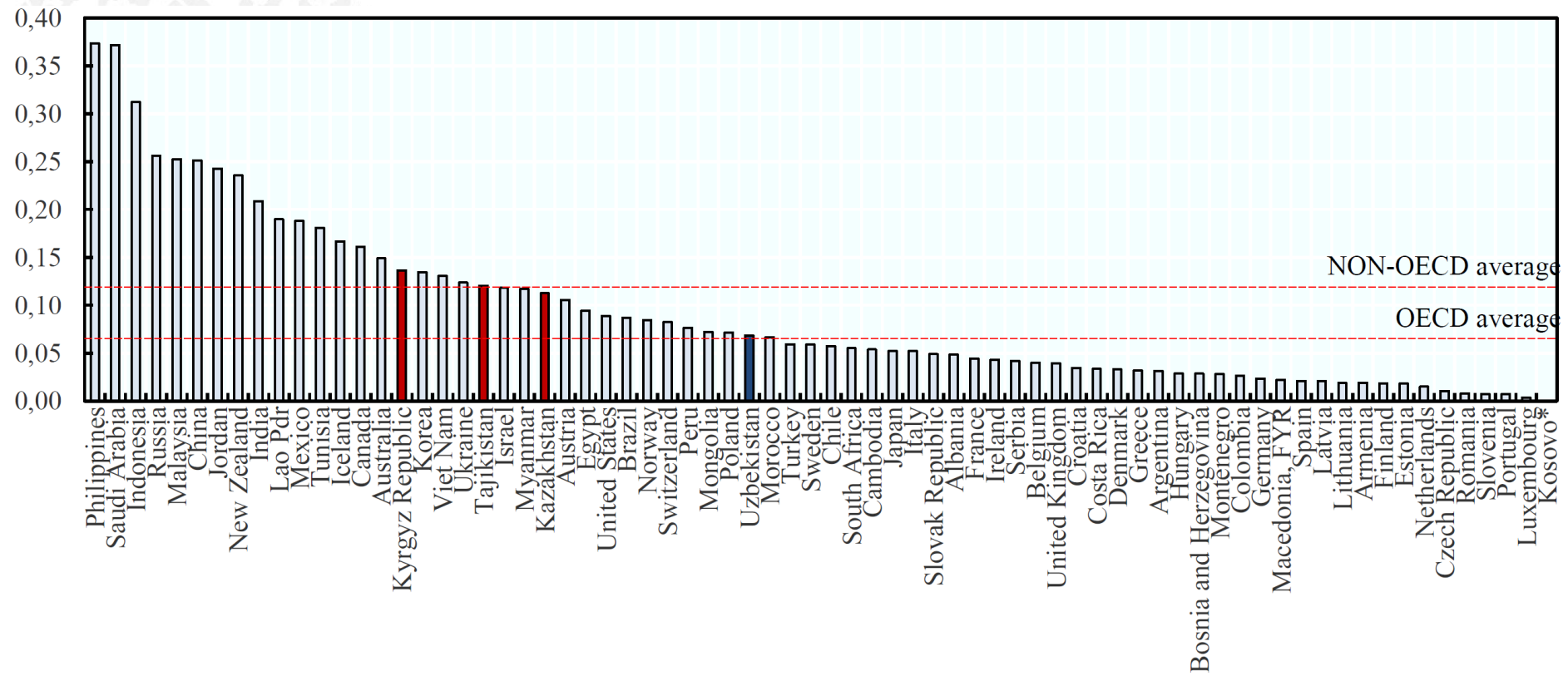
11 International Airports

Dry port "Navoi"

trans-shipment point, connected to the seaport by rail or road

OECD FDI Regulatory Restrictiveness Index: Uzbekistan (1/2)

Uzbekistan is open to foreign investments

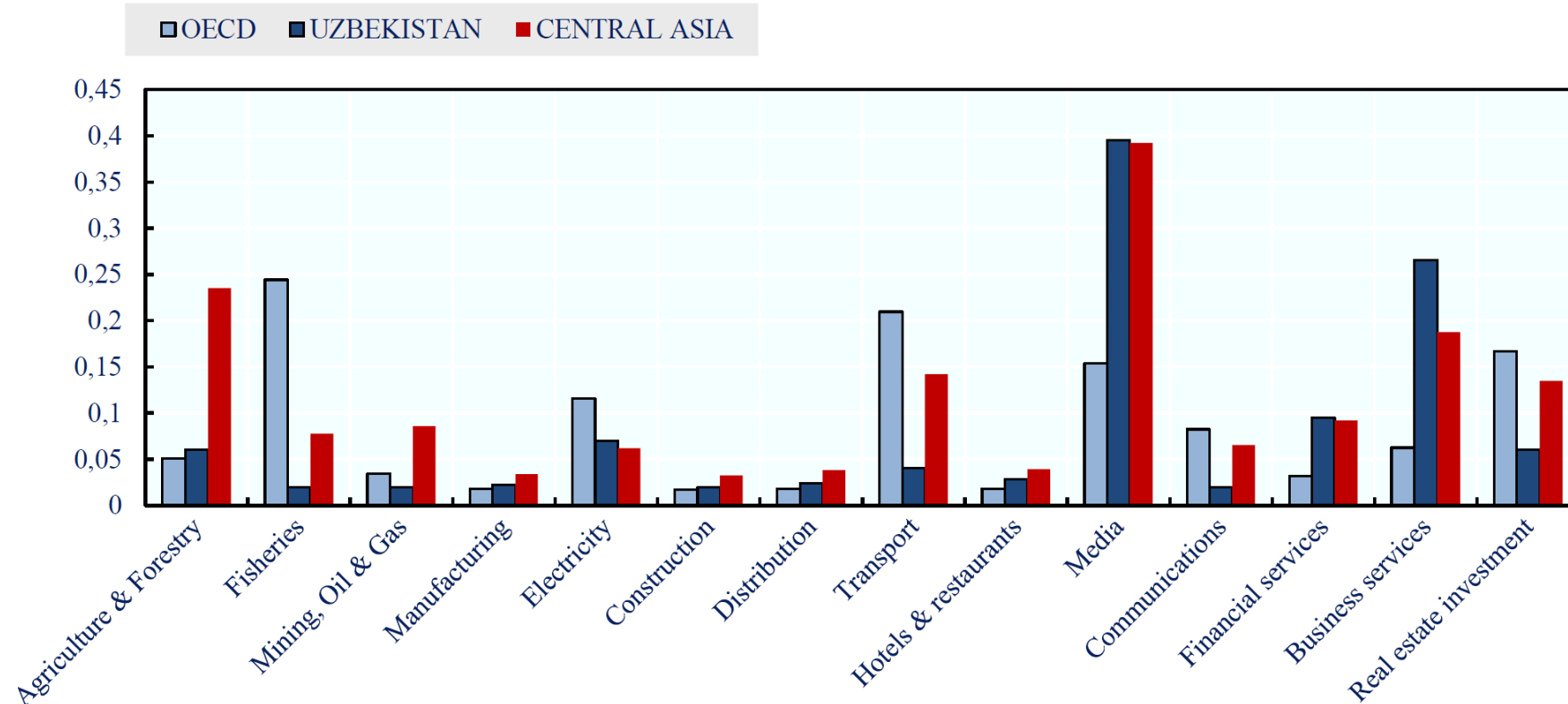


Note: Open=0, closed=1

Source: OECD FDI Regulatory Restrictiveness Index

OECD FDI Regulatory Restrictiveness Index: Uzbekistan (2/2)

Uzbekistan is open to foreign investments: sectorial restriction



Note: Open=0, closed=1

Source: OECD FDI Regulatory Restrictiveness Index

2020 reforms



One new Law «On investments and investment activities»



has replaced **3 laws** and more than **100 legal acts**



«On special economic zones»

- Formation of annual FEZ development programs
- VAT exemptions
- Customs payment exemptions



has replaced the Law «**On free economic zones**» of the year 1996



Investment residency and investment visa

- Residence permit for 5 and 10 years
- Purchase of real estate in the amount of \$100K-400K
- Investments in the amount of \$400K-\$2M
- 3 years «investment» visa for \$200K investments



Investment program
2021-2023

Single center for investors **(24/7)**

New **Tax code** {2020}

Reforming state-owned enterprises

State-owned assets will be privatized

Under the Presidential decree:
more than **620** state assets will be transformed, put up for public auctions, sold to the private investors; sells with “zero” redemption value will be abolished.

The following was approved under the document:

- 1 A list of large state-owned enterprises and business associations to be transformed (**32** objects)
- 2 A list of state-owned enterprises that are to implement corporate governance and financial audit, improve operational efficiency (**39** objects)
- 3 A list of state assets put up for public auctions within target programs on privatization readiness and increasing investment attractiveness (**62** objects)
- 4 A list of enterprises where state-owned shares to be sold out to private sector investors through public auctions (**479** objects)
- 5 A list of real estate property to be sold to the private investors (**15** objects)



Privatization

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



UZBEKNEFTEGAZ



“NAVOIYAZOT” AJ



FOTON



UZBEKISTAN
airways



КВАРЦ



O'ZBEKISTON POCHTASI



KAFOLAT
Insurance Company

Reforms of the banking sector

will be carried out in tandem with the reforms of state-owned enterprises

Objectives of the Strategy:

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

Roadmap for Implementation of the Strategy:

- Transformation and privatization of banks;
- Expanding the range and improving the quality of services provided;
- State participated Commercial Banks' Transformation and Privatization Project Office to be established under the Ministry of Finance;
- Compulsory introduction of international financial reporting standards.

Future Plan:

- Increasing banks' assets with no state's participation from 15% to 60%;
- Increasing banks' liabilities to the private sector from 28% to 70%;
- Increase the share of non-bank credit institutions from 0.35% to 4% in total capital market;
- Attracting at least 3 foreign equity investors for at least 3 local banks.



Banking sector

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



The state share will be retained in:



The following banks will be fully privatized :



Tax incentives

For FDI

ENTERPRISES WITH FDI	Investment amount	Exemption period
	0,3M – 3M	3 years
	3M – 10M	5 years
	10M+	7 years

Tax exemption from:

- property tax
- single tax payment for small enterprises

22 of the economy that are sectors granted benefits

2 years

Customs duty exemption

for enterprises with at least 33% of foreign investments importing business related goods

On the territory of Free Economic Zones

Residents of reforms	Investment amount	Exemption period
	0,3M – 3M	3 years
	3M – 5M	5 years
	5M–10M	7 years
	10M+	10 years

Special economic zones - 21

Industry	12
Pharmaceutical	7
Agriculture	1
Tourism	1

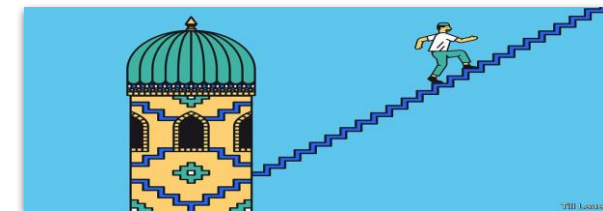
Outcomes of Reforms

Uzbekistan in the World Bank's Doing Business ranking

2012	2020
157 Comoros	67 Colombia
158 Suriname	68 Oman
159 Mauritania	69 Uzbekistan
160 Afghanistan	70 Vietnam
161 Cameroon	71 Jamaica
162 Togo	72 Luxembourg
164 Iraq	73 Indonesia
165 Lao PDR	74 Costa Rica
166 Uzbekistan	75 Jordan

2017-2021 DEVELOPMENT STRATEGY

opening and liberalizing the economy and improving investment climate



The Country of the Year -2019 by The Economist journal

STANDARD & POOR'S
MOODY'S
Fitch Ratings

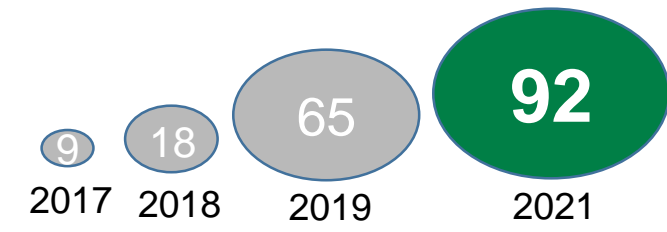
BB-stable
B1 stable
BB-stable
5 points



TOP 10

safest countries in the world. World Index of Law and Order *Gallup's ranking 2020*

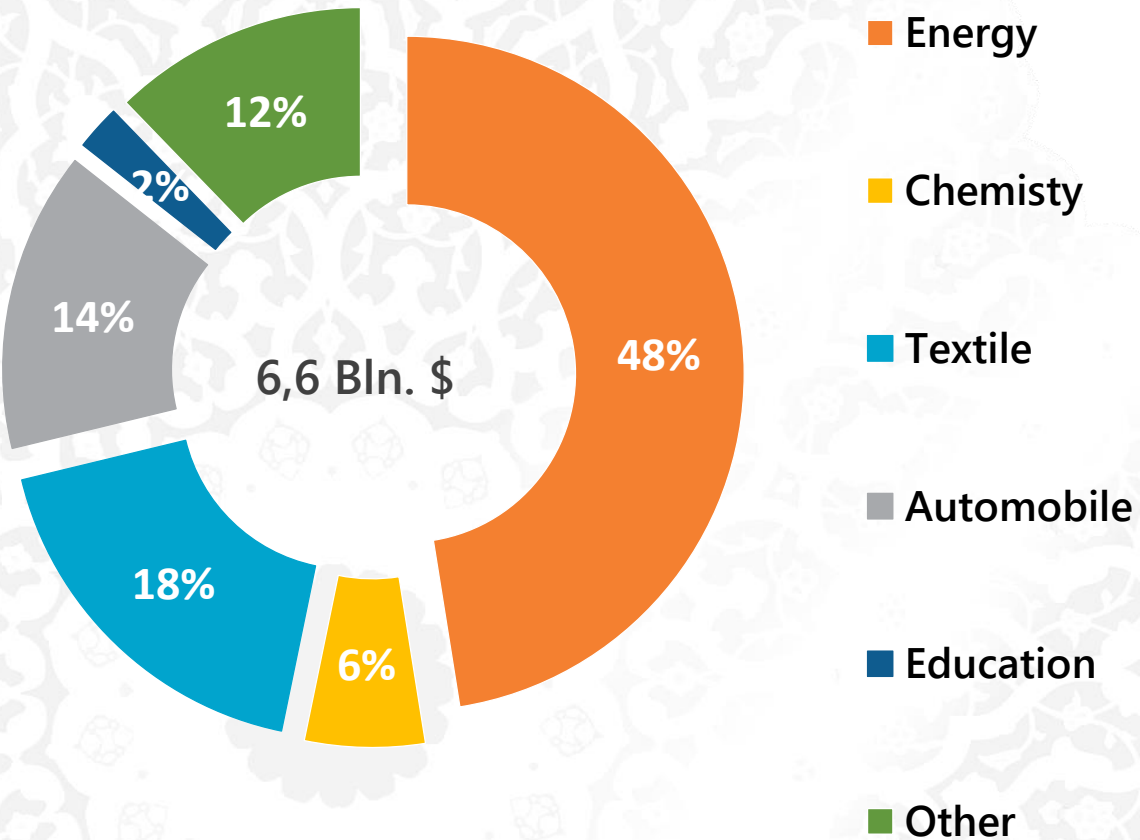
Visa free countries for Uzbekistan



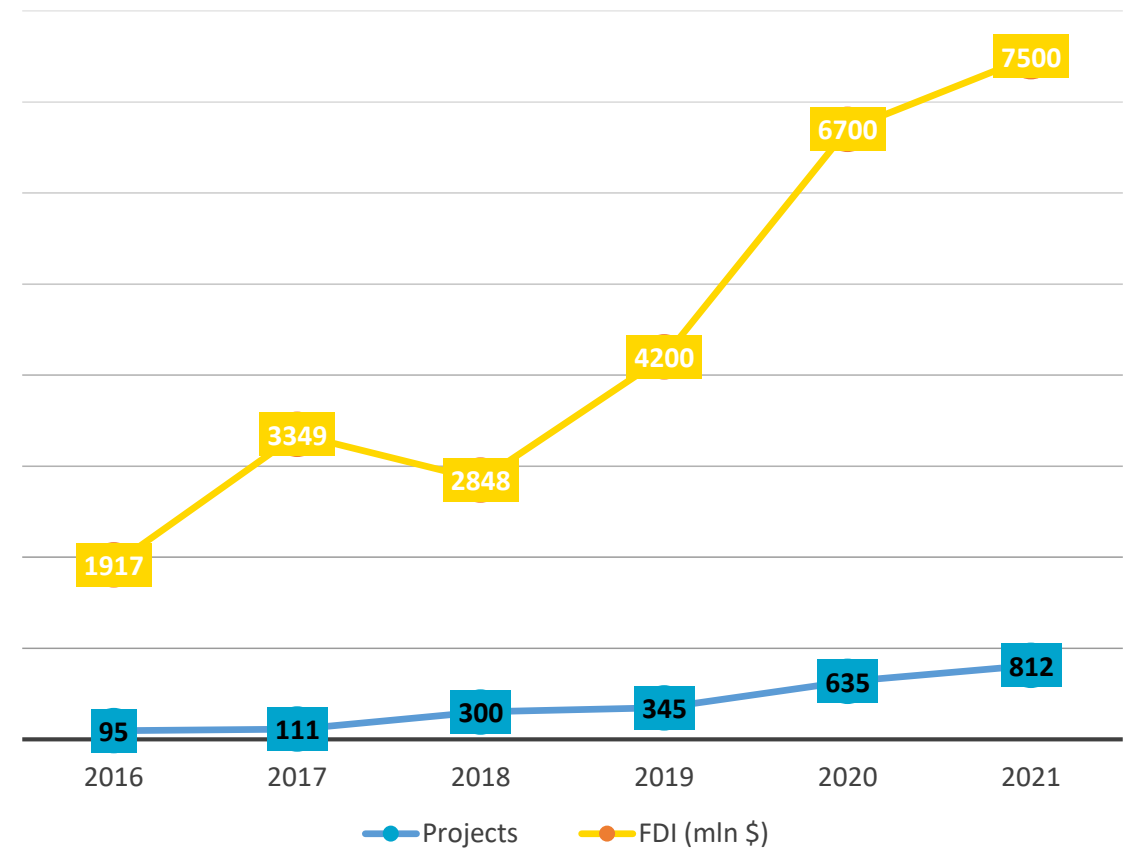
SOURCE: World Bank, 2019

Foreign Direct Investments

FDI in industries {2020}



FDI inflows



Weathering the COVID-19 pandemic

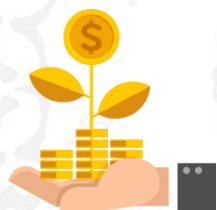
Pandemic period



Established an **Anti-Crisis Fund** in the amount of **\$1,29 bln.**



500K companies and **8 mln** people enjoyed direct support; **\$230 mln.** worth tax incentives campaigns



Over **\$1,3 bln.** mobilized from the international institutions to **support the economy** of population

Post Pandemic period



Digital Uzbekistan – 2030 Strategy:

- High speed Internet covering of regions – from 67% to 100% by 2030
- Index of E-Government - from 0,66 to 0,86 by 2030
- One million Uzbek coders program - software programming training for 587 K people(2020-2022y) etc.



Green Economy – 2030 Strategy:

- Increasing of energy efficiency – 2 times;
- Increasing of share of renewable energy in total generation more than 25%;
- Drip irrigation system – 1 mln. ha.



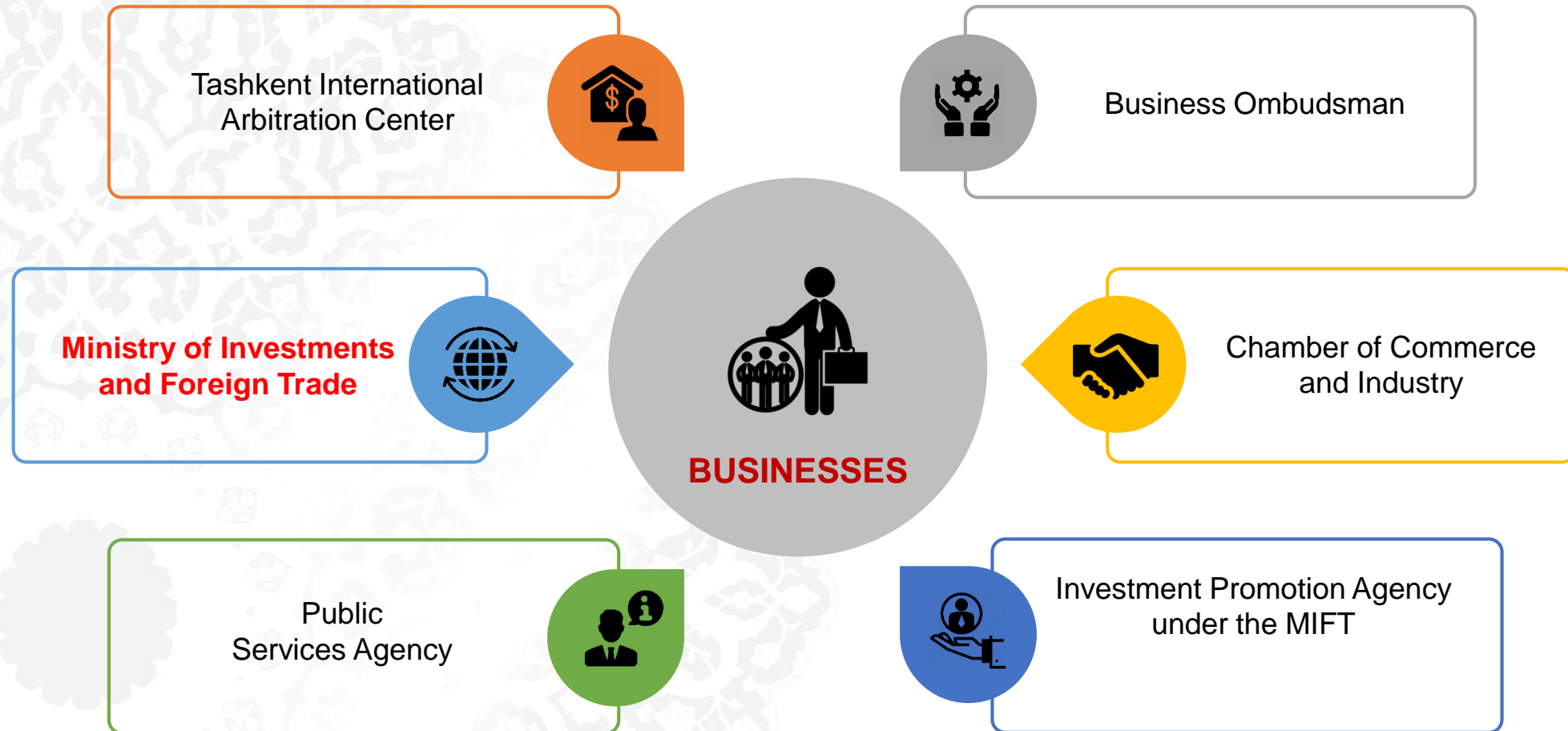
Investment Program of Uzbekistan for 2021-2023:

- Total amount of Investment – \$ 88,5 bln including \$37,5 bln. of FDI;
- Large production facilities in 2021 – creation of 226 new production and more than 34 th. jobs;



Supporting business

Key institutions providing continuous support to entrepreneurs



So why **invest** in **Uzbekistan**?

Natural
resources

2000+ deposits
of natural
resources
310+ sunny days

Central
location

Developed
infrastructure
Access to **2B+**
market

Booming
market

Increasing population
High **GDP** growth
Untapped potential of
the industries

Human
capital

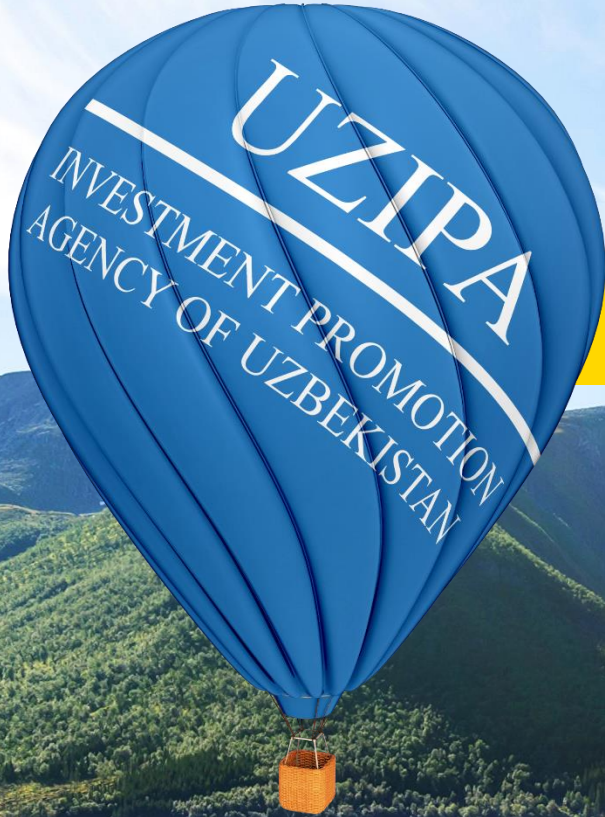
20M labor force
Median age **29 years**
97% literacy rate

Supportin
g reforms

Investment climate
improvement
Institutional reforms

High
returns

Tax exemptions
Free economic
zones
Regulatory burden
reduction



THANK YOU FOR ATTENTION!



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