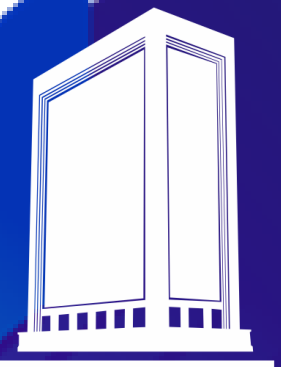




THE MAIN REFORMS IMPLEMENTED IN THE SECOND HALF OF 2020 IN THE SECTION OF INDEX OF ECONOMIC FREEDOM

Division of “Doing Business” and Other International Ratings

TASHKENT - 2021



**MINISTRY OF ECONOMIC DEVELOPMENT
AND POVERTY REDUCTION OF THE
REPUBLIC OF UZBEKISTAN**

Property rights

An **electronic application form** for patents for inventions, industrial designs and utility models has been introduced

Enterprises now have the opportunity to **save time** on developing a new brand by **registering unused trademarks** and renewing unused trademarks

A judicial procedure has been **introduced to terminate the right of ownership**, permanent or **fixed-term use of the entire land plot** or part of it in cases of **inappropriate or irrational** use of it at the claims of the body that made the decision to allocate the land plot

The directions of land allocation, their accounting, the placement of crops, the prevention of conflicts of interest in the implementation of **land management and the digitization** of this area have been determined

A **unified centralized system** has been created to further improve **the accounting of real estate, the state cadastre**, and **the provision** of State services in the field of cadastre

Judicial Effectiveness

The **Supreme Council of Judges of the Republic of Uzbekistan** has been created to facilitate the observance of the constitutional principle of the independence of the judiciary in the Republic of Uzbekistan

Mechanisms for increasing the level of citizens' access to justice, improving the quality of court proceedings in practice, **contributing to fair decision-making to ensure equality and mutual competition** of the parties have been expanded

The sale of property on a commission-contractual basis within the framework of compulsory execution of judicial acts and acts of other bodies is carried out exclusively by trade organizations that have introduced an electronic system for **remote monitoring of processes** from acceptance to sale of property online

Government Integrity

The Republican Interdepartmental Commission on Combating Corruption and the Anti-Corruption Agency of the Republic of Uzbekistan have been created

1

The procedure for encouraging persons who reported or otherwise contributed to the fight against corruption was approved

2

In order to introduce a system of recruiting worthy candidates for vacant positions in the civil service, the online "Single portal of civil servants vacancies" was launched (vacancy.argos.uz)

3

An electronic information system "Civil servants testing module" (test.argos.uz) has been introduced, which determines the knowledge of civil servants

4

The software and hardware complex "Unified electronic information and analytical system of the civil service" has been developed

5

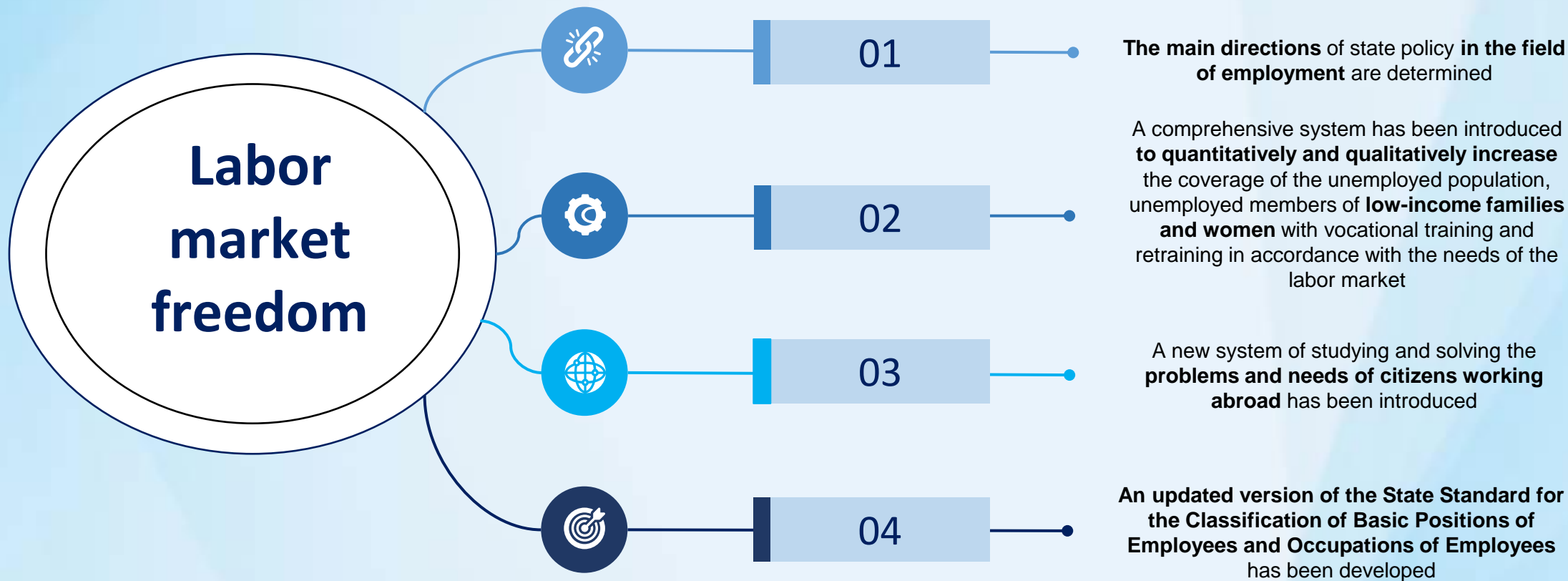
Resolutions of the chambers of the Oliy Majlis of the Republic of Uzbekistan and regulatory legal acts of local government bodies **are subject to inclusion in the National database of legislation** of the Republic of Uzbekistan

6

Fiscal health



The maximum ratio of **debt to GDP** was established, that is, the amount of public debt raised on behalf of the Republic of Uzbekistan and under the guarantee of the Republic of Uzbekistan **should not exceed 60% of annual GDP**



Business freedom

01

The plant quarantine **system** has been improved, **scientific innovations, international experience** and **digital technologies** in this area have been introduced, as well as the **volumes and geography of exports** have been expanded

06

The **strategy** of modernization, accelerated and innovative development of the construction industry of the Republic of Uzbekistan for 2021-2025 was approved

02

A procedure has been introduced to **reimburse the expenses of the competent authorities** related to the issuance of **permits and certificates** required for the export of **fruits and vegetables, textiles and its products**

03

The procedure for **refunding** the negative difference in **value added tax** has been introduced, the **tax burden** has been reduced, the filing of **tax returns** has been digitalized and the number of types of taxes has been reduced

04

The integration of the automated system of **state registration and accounting of business entities** with the accumulative pension system has been ensured

05

Established a **procedure for identifying** beneficial owners of **legal entities** in the primary process and maintaining an automatic register

07

The **system of submission of applications** for state ecological expertise and obtaining the conclusion of the **state ecological expertise** through the portal of interactive **services "eco-service.uz"** has been launched

Tax burden



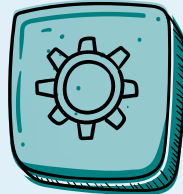
1

The **Fiscal Institute** was established under the **State Tax Committee** for the purpose of training, retraining and advanced training of highly qualified specialists and researchers in the field of taxation, accounting and audit, digital economy



2

Measures have been developed to **reduce the level of the shadow economy**, automate and **simplify business procedures**, and comply with tax legislation



3

In order to reduce shadow activity in the economy, increase transparency and create a level playing field for entrepreneurship, **the Strategy for the widespread introduction of information and communication technologies in the activities of tax authorities was approved**

Trade freedom



01



Mechanisms for establishing **rules for labeling and tracking product circulation** have been improved through **identification and gradual implementation** of a mandatory digital labeling system for certain types of products



02



The directions for improving the regulatory framework in the **field of insurance** have been identified, including the **consistent implementation of standards** and recommendations of **international organizations** and best world practice in this area



03

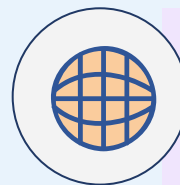


The institute of authorized economic operators was created and the **Regulation was approved**, which provides for the right to use simplified customs procedures for bona fide participants in **foreign economic activity** that meet the established customs requirements

Trade freedom

04

Fixed rates of customs duties have been approved, providing for the expansion of the list of paid services provided by **the state customs service**

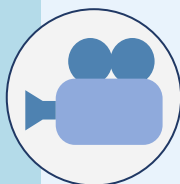


Uzbekistan joined the **International Convention on the Simplification and Harmonization of Customs Procedures** (Kyoto, May 18, 1973)

09

05

A procedure has been introduced for **organizing customs escort** of goods transported along roads under **customs control**



The **main directions** of accelerating the reform of **state-owned enterprises and the privatization** of state assets have been identified

10

06

It was decided **that free circulation of cement products** will be carried out by the bodies of the **state customs committee** on the basis of the corresponding certificate of conformity

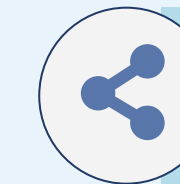


The procedure for financial **support of exporters**, whose **main activity is trade and mediation at the expense** of the State Fund for the Support of Entrepreneurship, has been determined

11

07

The system of assessment (accreditation) of tests carried out by experimental and **testing laboratories** **has been revised**, and existing procedures have been **optimized**



Based on **proposals** from participants in the **advertising market and foreign experience**, a unified procedure for placing **outdoor advertising** and **setting tariffs** has been developed

12

08

An opportunity has been created to attract **private business to metrological services** (calibration) and the range of services provided to businesses in this area has been expanded



An exemption from the payment of customs duties has been established for **imported technological equipment** that is not produced in the Republic of Uzbekistan

13

Financial freedom

Banking services have established **procedures to protect the rights and legitimate** interests of consumers

As a result of **defining the rights and obligations of market participants** and users of payment services, efficient and uninterrupted operation of the **Clearing System** was ensured

The rules for the issuance and circulation of **electronic money** in the territory of the Republic of Uzbekistan were approved

The rate of unlimited withdrawal of foreign currency funds was **doubled** in the amount of the **equivalent of 100 million UZS**

In order to further **liberalize** and reform **the banking system** and **increase the independence of commercial banks**, some **requirements for credit and deposit operations of commercial banks** (collection of bank loans, a guarantee agreement) were canceled

The rules for **settlement checks** intended for use **in non-cash settlements**, but not in **circulation for many years**, have been excluded, a procedure has been established for the uninterrupted implementation of **interbank payments in 24/7 mode**

The main directions of the broad involvement of **youth** and **women** in entrepreneurship, improvement of the microfinance system and **state support for entrepreneurship** have been identified

Information about transactions between the **issuer** and the **affiliate** must be **posted within 72 hours** from the date of the transaction

Enterprises have been granted the right to issue **corporate bonds**, the **conditions and procedure for the issuance of corporate bonds and infrastructure bonds** of the company have been determined

Investment freedom

As a result of **amendments to the legislation**, amendments were made to **28 documents in the field of currency regulation in the country**, **8 documents** and **12 norms** were canceled

Commercial banks have established a **procedure for maintaining foreign currency** accounts of residents and **non-residents** and **conducting foreign exchange transactions**

The directions for the development of **competition in the commodity and financial markets**, the creation of **equal conditions for the entry of business entities** (investors), **the provision of transparency and openness** and **further improvement** of public procurement procedures have been determined