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The President of the Republic of Uzbekistan adopted the Resolution “On measures for further improvement of the system of capital market regulation”

The Capital Market Development Agency (the “Agency”) is abolished in accordance with the Resolution of the President “On Measures for Further Improvement of the Capital Market Regulatory System” No.ПП-5073 dated 13 April 2021 (the “Resolution No.ПП-5073”). The Ministry of Finance has succeeded to all rights, obligations and treaties of the Agency.

In particular, the Ministry of Finance has been entrusted with the following tasks in the area of capital market development:

- ▶ implementation of common policies on securities market formation, development, regulation and corporate governance;
- ▶ ensuring the protection of the rights and legitimate interests of investors in securities practices as well as of holders of securities;
- ▶ monitoring compliance with legislation on the securities market, on joint-stock companies and on the protection of shareholders' rights;
- ▶ regulation of security market operators and professional participants in securities' market, and on betting operations as well.

The Department for Capital Market Development (the “Department”) will be established within the structure of the central administration of the Ministry of Finance.

The Resolution No.ПП-5073 has also established that Uzbek companies would be able to place their shares on foreign stock markets as from 1 January 2023, however, initial placement shall take place on the domestic stock exchange.

Moreover, the Resolution No.ПП-5073 approved the central directions in the development of the capital market. These include increasing market capitalization to UZS 45 trillion by the end of 2023 and creating an effective financing mechanism alternative to bank lending.

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