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# There have been taken steps to boost private investment and further build confidence in the business community in Uzbekistan

The President of the Republic of Uzbekistan adopted Decree “On regular reforms to create conditions for stable economic growth by improving the business environment and developing the private sector” No.УП-101 dated April 8, 2022 (the – “Decree No.УП-101”).

In accordance with epy Decree No.УП-101, in order to speed up privatization processes, increase the attractiveness of the investment climate and create additional amenities for investors who have acquired state assets (state blocks of shares, shares, real estate objects):

- ▶ the procedure for paying in installments up to three years, applied in the sale of state assets, also applies to the process of selling non-agricultural land plots on the basis of ownership through an auction;
- ▶ buyers of state assets and non-agricultural land plots sold with payment in installments, who made a lump sum initial payment of at least 35 percent, are granted the right to pledge these state assets and land plots as credit collateral.

From May 1, 2022, citizens of foreign states are granted the right to make investments in the form of acquiring the following new real estate objects under construction (with the exception of land plots), the list of which is approved by the Cabinet of Ministers, without requiring a residence permit in the Republic of Uzbekistan:

- ▶ in the Tashkent region, the cities of Tashkent and Samarkand – real estate objects, the value of which, in accordance with contracts concluded during the construction period, is at least the equivalent of USD 150,000, real estate objects accepted for operation, worth at least the equivalent of USD 180,000;
- ▶ in other regions – real estate objects, the value of which, in accordance with contracts concluded during the construction period, is at least the equivalent of USD 70,000, real estate objects accepted for operation, worth at least the equivalent of USD 85,000.

Moreover, the amount of the value of real estate required to obtain a residence permit in the Republic of Uzbekistan by citizens of foreign countries, subject to the acquisition of real estate in the city of Tashkent and the Tashkent region, has been reduced from USD 400,000 to USD 300,000.

According to Decree No.УП-101:

- ▶ from January 1, 2023, the Competition Development Index is being introduced with the annual submission of information by the Antimonopoly Committee to the Senate of the Oliy Majlis;
- ▶ from May 1, 2022, the personal income tax rate on income of non-resident individuals from sources in the Republic of Uzbekistan (excluding dividends, interest and freight income) is set at 12 percent (previously up to 20 percent);
- ▶ from July 1, 2022, customs duty benefits are provided solely on the basis of the laws of the Republic of Uzbekistan. At the same time, obtaining the opinion of the Council for tariff and non-tariff regulation is required.

In addition, in order to further improve the competitive environment in the economy and reduce bureaucratic barriers for the private sector, from September 1, 2022, financial sanctions will be applied to economic entities that have committed anti-competitive actions.

Also, from September 1, 2022, administrative liability is strengthened for:

- ▶ illegal restriction by public authorities and administration of free movement and sale of raw materials, goods and services;
- ▶ adoption of decisions restricting competition by state unitary enterprises or institutions, associations of legal entities empowered to license, register, accredit and issue permits;
- ▶ failure to provide the necessary documents and data at the request of the antimonopoly body, as well as the submission of false or inaccurate information.

## Practice areas

[FINANCE AND SECURITIES](#), [REAL ESTATE](#)

## Locations

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