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Uzbekistan launches the creation of toll roads

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The resolution of the Cabinet of Ministers “On additional measures for implementing the Concept of ensuring road safety in the Republic of Uzbekistan for 2018–2022” was published.

The resolution approves the introduction of a public-private partnership (PPP) mechanism in the area of road safety and the creation of a modern road infrastructure.

The document proposes the phased creation of toll roads throughout the country within the framework of a public-private partnership (PPP).

One of the types of partnership is the organization of paid parking spaces with parking machines and information systems along the roads, fixing violations of payment rules. Now entrepreneurs will be able to rent such areas for a period up to 10 years. The objects built on the roadside infrastructure become the property of the entrepreneur.

Another type of partnership is building of campgrounds and motels along the tracks. Entrepreneurs, if they assume obligations for the improvement of the territories along the highways, will be able to lease land for up to 10 years.

Companies will be selected on a competitive basis. The government in this process will be engaged only in monitoring the implementation of the terms of the agreement by the private partner.

Part of the cash receipts from the use of paid parking spaces and paid parking lots will be directed to the local budget - no more than 30%. This money will then be used to develop road infrastructure.

The remaining 70%, taking into account the workload of the adjacent territory and functionality, will go to the accounts of entrepreneurs.

Incentives are provided as encouragement. In particular, such investors are exempted until January 1, 2022 from the below payments:

- customs payments (with the exception of customs fees) for imported equipment, components, software, construction and other materials that are not produced in Uzbekistan, according to the lists formed in the prescribed manner;
- value added tax for works (services) performed by non-residents of Uzbekistan.

Additionally, the document approves a temporary regulation on the implementation of public-private partnerships in the field of road safety and creation of a modern road infrastructure.

Locations

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