



EUROUZ MONTHLY REPORT ON UZBEKISTAN

FEBRUARY 2023

**EUROPE-UZBEKISTAN ASSOCIATION
FOR ECONOMIC COOPERATION**



EUROPE-UZBEKISTAN ASSOCIATION FOR ECONOMIC COOPERATION

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Monthly Report on Uzbekistan

February 2023

IMPORTANT QUOTES

"Do you like the breath of freedom? Although it is difficult to work, I still like the mass media. Some advise me to shut down the media. No, I won't. Do we want a prosecutor and SNB (former State Security Service), as before?"

Shavkat Mirzoyoyev
President of the Republic of Uzbekistan

"Relations between our two countries are being developed in a number of areas, with particular focus on the economy. As a result, Uzbekistan is now our largest foreign trade partner in Central Asia"

Ms Tanja Fajon
Deputy Prime Minister and Minister of Foreign and European Affairs of Slovenia

"Currently, Uzbekistan is considered a key country in Central Asia and is of great importance to Japan"

Mr Hatori Takashi
Ambassador of Japan to Uzbekistan

NOTABLE EVENTS PAST MONTH

US Secretary of State Antony Blinken visited Uzbekistan

US Secretary of State Antony Blinken visited Tashkent on March 1 and met with President Shavkat Mirziyoyev and Acting Minister of Foreign Affairs Bakhtiyor Saidov. During the meetings, which took place mainly behind closed doors, the parties agreed to joint efforts to facilitate business exchanges, enhance the human resources potential of Uzbekistan, and strengthen regional security in Central Asia. Antony Blinken praised the government's reforms, particularly efforts to combat forced labour, and emphasised the need to build up trade, economic, and investment ties between the US and Uzbekistan. Previously he visited Astana to take part in the C5+1 diplomatic summit where he announced USD 25 million in new support to diversify trade routes and create jobs in the region. Blinken's visit to Kazakhstan and then Uzbekistan was his first to the region as the Biden administration's top diplomat.

EBRD updates forecast on Uzbekistan's GDP growth for 2023

The European Bank for Reconstruction and Development (EBRD) updated its Regional Economic Prospects forecasts. According to it, Uzbekistan's GDP growth will increase from the previously predicted 5.7% to 6.5% in 2023 and 7% in 2024. Output in Central Asia is expected to grow by 4.9 per cent in 2023. This slight upward revision from September reflects the boost from high oil and gas prices for commodity exporters, increased inflows of labour, capital and remittances, and a rise in intermediated trade. Output growth is seen picking up to 5.4 per cent in 2024 on planned infrastructure investments, high commodity prices and the relocation of Russian businesses.

President Shavkat Mirziyoyev paid an official visit to Egypt

The president arrived in Cairo on February 20 for an official visit and meeting with Egyptian President Abdel Fattah El-Sisi. Prior to his arrival, on February 19, the Uzbek-Egyptian Business Forum took place in Cairo, which brought together more than 200 business and government representatives from the two countries. According to President Mirziyoyev, the Forum resulted in 20 agreements worth USD 1.6 billion. In addition, Air Cairo announced plans to add direct flights between Tashkent and Cairo, as well as raise the number of weekly flights between Uzbekistan and Egypt to 14.

UPCOMING EUROUZ & MEMBER EVENTS

EUROUZ's upcoming webinar announcement: "The State of Digital in Uzbekistan" with the Minister of Digital Technologies

Date: March 23, 2023 | 10h30-12h00 CET | online | Language: English

Over the last several years, the development of the IT sector in Uzbekistan has seen exponential growth, with more & more global companies opening offices to hire local talents & outsourcing their global IT services. As of 2023, the country has embarked on a new IT & digital sector reforms phase.

EUROUZ will hold an open conversation with the Ministry of Digital Technologies of the Republic of Uzbekistan and the CEO of Uzbekistan's largest industry-building organisation - IT Park, to hear directly from them on the latest plans and goals for Uzbekistan's digital sector. [Register here](#).

PwC free webinars announcement:

Get ready for the New Uzbek Labour Code

Date: March 10, 2023 | 15h00 Tashkent time | online | Language: Russian

PwC Academy "IFRS 16, Leases"

Date: March 16, 2023 | 15h00 Tashkent time | online | Language: Russian

LavoroSolutions and EUROUZ invite you to the webinar "Recruiter as a profession" by HR consulting market leaders

Date: March 15, 2023 | 18h00 Tashkent time | online | Language: Russian

Recruitment managers with many years of international experience Ekaterina Kaliianidi and Diana Kargaeva, will guide you through the recruitment process in Uzbekistan. 4 academic hours of theory and practices will provide useful tips for both -experienced recruiters and for those assuming a new role. Participation is free.

[Click here](#) or the title to register

Oil & Gas Uzbekistan - OGU 2023 Exhibition

Date: May 15-17, 2023

ITECA Exhibitions, a member of EUROUZ, is honoured to invite you to participate in the **25th Anniversary International Oil & Gas Exhibition and Conference – OGU 2023**, which will take place in person in Tashkent (Uzbekistan).

European companies interested in taking part in OGU or [other exhibitions in Uzbekistan organised by ITECA](#) are eligible, for discounts. Please, contact EUROUZ Secretariat at info@eurouz.com for more information.

[Learn more](#) about the exhibition.

EUROUZ & MEMBERS NEWS

The Europe-Uzbekistan Association for Economic Cooperation (EUROUZ) held the "Uzbekistan 2023: Economic & Investment Update" webinar

On February 27, 2023, EUROUZ, in partnership with the government and international financial institutions, together with key European Chambers of Commerce and Business Associations covering Uzbekistan, held an online webinar, "Uzbekistan 2023: Economic & Investment Update", which brought just over 200 participants, who took part in the live event on various platforms.

You will find the presentations made by our panellists on the event website via the [following link](#) and a recording via [this link](#) or directly below.

EUROUZ's Board Member presented our recent White Paper: "The Future of Reform in Uzbekistan" at Columbia University (NYC) Harriman Institute

On the 7th of March, Louis Skyner, EUROUZ board member and Partner at Dentons Europe, presented the recent white paper authored by him & published by EUROUZ titled "[The Future of Reform in Uzbekistan](#)". The recording can be accessed via [this link](#).

EUROUZ welcomes new association members:

- *Volitalia (France)*,
- *Solar Turbines (Belgium)*,
- *Dentons Europe (Belgium)*
- *Burckhardt Compression (Italy)*,
- *Mazars (Uzbekistan)*,
- *PricewaterhouseCoopers (Uzbekistan)*,
- *LavoroSolutions (Uzbekistan)*.

EUROUZ welcomes association membership extensions by:

- *Pietro Fiorentini SpA (Italy)*,
- *Nooter-Eriksen (Italy)*.

We look forward to supporting new members in Uzbekistan and Europe. The following editions of the EUROUZ monthly report will also feature key information about our members and their work in Uzbekistan.

Not a member yet? **JOIN EUROUZ** to gain access to exclusive market support for your business activities in the country.

[Find out about all benefits offered by EUROUZ membership.](#)

MONTHLY INSIGHTS ON UZBEKISTAN

1. INTERNATIONAL COOPERATION

1.1. EUROPE

[Uzbek Prime Minister visits Germany](#)



Source: Ost-Ausschuss der Deutschen Wirtschaft

Prime Minister of Uzbekistan Abdulla Aripov visited Germany on 28 February - 3 March to hold the 7th Uzbek-German Economic Council, German-Uzbek Business Forum and the "Uzbekistan Economy Day" in Hamburg. The events were co-organised by the Eastern Committee of German Business (OA) and AHK (German Chambers of Commerce Abroad). The Uzbek-German Business Forum, held on March 1, 2023, in Berlin, brought together over 400 representatives of the business community from both countries.

Uzbekistan's Ambassadors to EU countries discussed the prospects of EU-Uzbekistan relations in Brussels



Source: EUROUZ

On February 20, Uzbekistan's Mission to the EU organised a private event titled "Uzbekistan-EU: state of progress", which brought together political stakeholders working on EU-Uzbekistan relations, but also Ambassadors from the Central Asia and South Caucasus regions. Uzbekistan's Ambassadors to France, Italy, Germany, Hungary and Austria participated in the event by providing updates on progress made in advancing bilateral partnerships with the key European countries.

[Foreign Ministers of Slovenia and Hungary visited Uzbekistan](#)

Slovenia's Minister of Foreign and European Affairs (Ms Tanja Fajon) and a Slovenian business delegation visited Uzbekistan in February. Uzbekistan is Slovenia's largest foreign trade partner in Central Asia.

Hungarian Minister of Foreign Affairs (Mr Péter Szijjártó) also visited Uzbekistan in preparation for the upcoming 8th Uzbek-Hungarian Intergovernmental Commission on Economic Cooperation and a Business Forum planned to be held in Budapest later this year.

[Finnish business delegation led by Minister for Foreign Trade \(Ville Skinnari\) visited Uzbekistan for the first time since 2002](#)

The Finnish delegation consisting of over 40 Finnish business representatives and public officials, visited Uzbekistan on February 21-23, 2023. It was announced during the visit that [Finland intends to provide](#) EUR 2 million in grant funds to modernise the meteorology systems in Uzbekistan

[EU helps to enhance customs control methods of the Uzbek Customs Administration](#)

The EU-funded Border Management Programme in Central Asia (BOMCA 10) held a national workshop in

Tashkent on innovative risk management and green channels on February 7 to 9.

[The British Embassy and USAID partner to support Uzbek businesses in the agricultural and textile sectors](#)

On February 17, 2023, The two sides signed a first-ever partnership agreement to work together to boost Uzbek exports of agricultural and textile products to the UK and US markets, using UK's new preferential trade agreement DCTS as a springboard. The programme will provide business support and training to increase exports, improve food standards and certification and help female textile entrepreneurs to digitalise.

[EU helped Uzbekistan launch a new national e-commerce strategy](#)

The e-commerce strategy was developed by the Ministry of Investments, Industry and Trade of Uzbekistan, in cooperation with the Ministry of Digital technologies, the E-commerce Association, and other agencies, with the support of the International Trade Centre's Ready4Trade Central Asia project, funded by the European Union (EU).

[The delegation of the European Parliament visited Uzbekistan](#)

The delegation was led by Ilhan Kyuchyuk, the European Parliament's Rapporteur on Uzbekistan. As part of his visit to Uzbekistan on February 20-24, he met with the Senate's Deputy Chairman, the Acting Foreign Minister, the Special Representative of the President of Uzbekistan for Afghanistan, and representatives of Uzbek civil society.

[Uzbekistan negotiates with Lithuania for the movement of national carriers](#)

Uzbekistan is in talks with Lithuania to allow national carriers to transit through Lithuanian border points, following Poland's ban on traffic across the border with Belarus. The Ministry of Transport of Uzbekistan aims to ensure the uninterrupted movement of trucks and has urged national carriers to consider the current situation when shipping products to Europe. The ban imposed by Poland has already caused millions in losses for Kazakh companies, prompting the Kazakh Chamber of Entrepreneurs to ask for the lifting of restrictions on Kazakh carriers.

1.2. CENTRAL ASIA & CAUCASUS

Tashkent intends to increase cargo shipments to the EU through the Kazakh port of Aktau

An agreement has been reached with the port authorities that Uzbek exporters will be granted special preferential terms.

Kazakhstan will set up cross-border trade hubs with Uzbekistan

By 2026, the Kazakhstani authorities intend to build five cross-border trade hubs with neighbouring countries, including Uzbekistan.

Uzbekistan receives a free shipment of liquefied gas from Turkmenistan and sends Ambulances in exchange for good-will

Uzbekistan's citizens can now remain in Kazakhstan without registration for 30 days

Uzbekistan and Kyrgyzstan start negotiations on border demarcation

Having completed the border delimitation process, Uzbekistan and Kyrgyzstan immediately proceeded to its demarcation.

Shavkat Mirziyoyev visited Azerbaijan to meet with President Ilham Aliyev and attend the Non-Aligned Movement Summit on March 2

In 2022, trade between Uzbekistan and Azerbaijan increased by more than 53%, and the two presidents

have talked about launching new cooperative projects in the automobile, oil & gas, and textile industries with a projected investment of about USD 800 million. Previously, it was reported that Uzbekistan and Azerbaijan **are committed** to bringing bilateral trade to USD 1 billion.

Uzbekistan and Azerbaijan established a joint investment fund worth USD 500 million

Azerbaijan and Uzbekistan have inked an intergovernmental agreement on the establishment of a Joint Investment Fund for USD 500 million, in the context of the first Uzbek-Azerbaijani inter-regional forum in Tashkent. Reportedly, this step would boost trade and economic relations, increase foreign trade turnover, and enhance cooperation in the industrial sector.

R/W transit from Termez to Hairatan has resumed

The Afghan Railways Authority has signed a new agreement with Sogdiana Trans. Previously, on February 1, the railway traffic from Uzbekistan to Afghanistan was temporarily suspended due to contractual issues.

UNHCR and Uzbekistan provide winter assistance for Afghanistan

On February 8, the UN Refugee Agency, UNHCR, with the support of the Government of Uzbekistan, sent 12 trucks with over 48,000 blankets through the International Multifunctional Transport and Logistics Hub in Termez, Uzbekistan.

Lukoil covers all investment expenditures for the development of 13 gas fields it serves, de jure - splitting the profits 50/50, while de facto Uzbekistan accounts for 55% of overall revenue, as Uzbekneftegaz is one of the investors.

Uzbekistan - main source of labour migrants for Russia

In 2022, 3.47 million labour migrants arrived in Russia from abroad. This is three times more than in the previous year. The overwhelming majority of labour migrants come from CIS countries, with 1.45 million Uzbeks accounting for 42% of the total.

1.3. RUSSIA & CHINA

Gazprom trilateral cooperation with Kazakhstan and Uzbekistan

Gazprom CEO Alexei Miller held a working meeting with Kazakh Energy Minister Bulat Akchulakov and Uzbek Energy Minister Zhurabek Mirzamakhmudov. "Participants of the meeting discussed the possibilities of trilateral cooperation in the gas industry," according to a statement.

Uzbek Minister of Energy says the contract with Lukoil is actually 55 to 45 in favour of Uzbekistan

Zhurabek Mirzamakhmudov, Uzbekistan's Minister of Energy, gave details on profit-sharing from gas field development with Russia's Lukoil. According to him,

[Russia to open pre-migration training centres in Kyrgyzstan, Tajikistan and Uzbekistan](#)

Russia expects to sign intergovernmental agreements on migration with Kyrgyzstan, Tajikistan and Uzbekistan in 2023 that will prescribe the opening of pre-migration training centres in these countries.

[Separating Uzbekistan from Russia is difficult, says Russian Ambassador in Uzbekistan](#)

Russian Ambassador to Uzbekistan Oleg Malginov said that attempts by the West to destroy commercial links between Moscow and Tashkent are more public noise and PR, citing the outcomes of trade and economic cooperation.

1.4 MIDDLE EAST, SOUTH-EAST ASIA

[President Shavkat Mirziyoyev paid an official visit to Egypt](#)

The president arrived in Cairo on February 20 for an official visit and meeting with Egyptian President Abdel Fattah El-Sisi. Prior to his arrival, on February 19, the Uzbek-Egyptian Business Forum took place in Cairo, which brought together more than 200 business and government representatives from the two countries. According to President Mirziyoyev, the Forum resulted in 20 agreements worth USD 1.6 billion. Air Cairo announced plans to add direct flights between Tashkent and Cairo and raise the weekly flights between Uzbekistan and Egypt to 14. Egypt remains among the top holiday travel destinations in Uzbekistan.

[Uzbekistan & Vietnam agree to establish a joint rice growing facility in the Khorezm region](#)

Minister of Investment, Industry, and Trade Laziz Kudratov visited Hanoi and met with Vietnamese

1.5. NORTH & SOUTH AMERICA

[Secretary of State Antony Blinken visited Uzbekistan](#)

US Secretary of State Antony Blinken visited Tashkent on March 1 and met with President Shavkat Mirziyoyev and Acting Minister of Foreign Affairs Bakhtiyor Saidov. Topics discussed included joint efforts to facilitate business exchanges, enhance the human resources potential of Uzbekistan, and strengthen regional security in Central Asia. Antony Blinken praised the government's reforms, particularly efforts to combat forced labor, and emphasized the need to build up

[Alisher Usmanov is officially relocated to Uzbekistan](#)

In his recent interview with the Italian TV channel TGcom24, Uzbek-born Russian businessman and oligarch said that he spends most of his time in his native country helping with reforms, with full devotion to philanthropy, even if "the sanctions have very much complicated this work."

[Uzbekistan opens its first trade pavilion in China](#)

The export products of Uzbek companies are displayed in Qingdao city, in a 600 square metres pavilion, which is expected to be visited by millions of people every year. Uzbek trade pavilions are to be opened in other Chinese cities.

government officials and business leaders and reached agreements to expand commercial ties between the two countries in the agriculture, food production, and technology sectors.

[Uzbekistan sets implementation measures on the Preferential Trade Agreement with Pakistan and ratifies Preferential Trade Agreement with Turkey](#)

[Uzbekistan and Pakistan agree to accelerate the project for the construction of the Trans-Afghan railway](#)

[The head of Uzbekistan's Presidential Administration visits Qatar](#)

The head of the Presidential Administration of the Republic of Uzbekistan visited Qatar at the end of February with at least two other high-level officials - the Minister of Investments, Industry & Trade and the acting Minister of Foreign Affairs.

trade, economic, and investment ties between the US and Uzbekistan.

[Blinken takes part in the C5+ 1 diplomatic summit in Astana to reaffirm US support for Central Asia](#)

U.S. Secretary of State Antony Blinken met with Central Asian Ministers of Foreign Affairs in the C5+1 format in Astana, on February 28. Blinken's visit to Kazakhstan and then Uzbekistan was his first to the region as the Biden administration's top diplomat. At the summit, he announced USD 25 million in new support to diversify

trade routes and create jobs in the region, while he praised Uzbekistan's [leadership](#) in the C5+1.

[US State Department on Uzbekistan: “ We have not seen the same rapid progress anywhere else in the world”](#)

“In Uzbekistan, where there have been some really serious human rights issues for years, last year, we saw a huge shift in the use of forced and child labor in the cotton harvest. Thus, the International Labor Organization recently stated that they see it completely eliminated in Uzbekistan as a result of reforms - and this happened within a little over a year. It's really wonderful. We have not seen the same rapid progress

1.6 INTERNATIONAL ORGANISATIONS

[Uzbekistan holds a new round of WTO talks](#)

In February Uzbekistan's negotiating team concluded 2 weeks of intensive bilateral meetings with WTO Members. An ambitious Roadmap to prepare for a new phase of accelerated negotiations for the 2023/24 goal was reviewed and discussed.

[Uzbekistan has completed work to simplify access to the EAEU markets](#)

Uzbekistan has completed preparatory work to simplify mutual access to the markets of the Eurasian Economic Union (EAEU) and is counting on the adoption of a joint document on this issue, Uzbek Prime Minister Adbulla Aripov says.

[“Uzbekistan has become one of our flagship countries that might inspire other countries to engage with ILO”, says Heinz Koller, ILO Regional Director for Europe and Central Asia](#)

On February 21, Tashkent hosted a high-level event with the participation of the representatives of the International Labour Organization (ILO). As reported

2. PUBLIC POLICY

[Uzbekistan ranks 126th in the Corruption Perceptions Index](#)

Transparency International released the 2022 CPI. Uzbekistan has risen in the ranking by 14 positions (from 140 to 126) and outperformed Russia and neighbouring Kyrgyzstan, Tajikistan and Turkmenistan. Kazakhstan continues to lead among the countries of Central Asia.

anywhere else in the world”, said Donald Lu, Assistant Secretary of State for South and Central Asian Affairs, at the press briefing ahead of Blinken's upcoming travel to Kazakhstan, Uzbekistan.

[US still rejects nearly half of U.S. visa applications in Uzbekistan](#)

In 2022, the US Embassy in Tashkent refused to issue category B visas (tourist and business visas) to 47.04% of Uzbek citizens who applied. This is worse than in 2021, when a visa was not issued to 45.98% of Uzbeks, but better than the pandemic 2020 - 74.14%, 2019 - 68.06%, 2018 - 61.76% and 2017 - 50.29%.

during the conference, to date, some 1.3 million of Uzbekistan's workforce remain unemployed. The level of unemployment decreased from 9.6 in 2022 to 8.9 per cent in January 2023. The level of poverty dropped from 17% to 14.1%.

[OSCE and Ombudsperson of Uzbekistan co-host the International Human Rights Conference in Samarkand.](#)

[Uzbekistan abstains from voting on a UN resolution on the withdrawal of Russian troops from Ukraine](#)

[World Food Program expands activities on the boarder with Afghanistan](#)

The UN's World Food Program has launched a new warehouse in Termez, Uzbekistan to facilitate the transportation of food assistance to Afghanistan. According to the spokesman for the WFP Afghanistan, Wahidullah Amani, at least 1,000 metric tons of food are crossing from Uzbekistan to Afghanistan daily. ‘The increase in capacity of the new warehouse in Termez in Uzbekistan will help us to properly reach the 20 million who are currently starving and need food assistance’.

[Uzbekistan ranked 40 in the Open Data Watch ranking](#)

With 66 points, Uzbekistan placed 40th out of 192 nations. The country is ahead not only of Russia and Kazakhstan but also leads the post-Soviet countries. The Open Data Inventory (ODIN) assesses the coverage and openness of official statistics.

[Uzbekistan latest ranking in the Democracy Index](#)

Uzbekistan rose one position and ranked 149th out of 167 in the Democracy Index 2022, compiled annually by the British research organization The Economist Intelligence Unit. In 2021, the country ranked 150th. The rating estimates the situation with democracy in Uzbekistan at 2.12 points and classifies the country as a group of states with an "authoritarian regime."

[Uzbekistan launches a new Think Tank](#)

The official inauguration of the new Institute for Advanced International Studies took place on the 8th of February at the University of World Economy and Diplomacy (UWED). As an independent, nonprofit international and interdisciplinary research institute, its research revolves around Afghanistan and South Asia, Asia-Pacific, European and American studies, current global development, energy geopolitics, economic diplomacy, international law, sustainable development issues, anthropology and conflictology.

[President: Tashkent to receive 1,000 new buses by April](#)

An agreement to purchase 1,000 new buses (200 - 18m and 800 - 12m) for the capital has been reached with some Chinese manufacturers.

[UZS 40 billion worth of damage caused to nature in 2022](#)

Last year, the Inspectorate for Environmental Supervision revealed more than 45,000 violations in the field of ecology, including 4,600 cases of illegal cutting of trees and 116 cases of poaching.

[The population of Uzbekistan reached 36.024 million people](#)

As of January 1, 2023, the population of Uzbekistan reached 36.024 million people (18.13 million men and 17.89 million women). Thus, over the year, the population increased by 753,000 people, or by 2.1%. The urban population was 18.33 million, the rural population was 17.69 million. There are 31.7% of young people, 56.8% of adults, and 11.5% of elderly people.

[Defense Industry Agency to be created in Uzbekistan](#)

The State Commission for Equipping the Armed Forces is being created in Uzbekistan and will be headed by the head of state. On the basis of the State Committee for the Defense Industry, the Defense Industry Agency under the Ministry of Defense is being created, as well as the Uztektrade enterprise for the import of military products. The agency's main purpose will be ensuring

technological independence in the defence industry, organizing the production of important military and dual-use products, as well as import-substituting and export-oriented products.

[In 2023, Uzbekistan is to transfer 30% of budget organization buildings' energy use to green energy](#)

In Uzbekistan, it is planned to transfer 30% of the energy consumption of the buildings of budget organizations to green energy by the end of 2023, and another 30% by 2026.

[Liberalization of electricity and gas prices expected in May - Central Bank](#)

An increase in prices for electricity and gas in Uzbekistan may occur in May. This was stated by Deputy Chairman of the Central Bank of Uzbekistan Bekhzod Khamraev. "[Liberalization] is expected in May. This is included in the [inflation] forecast," he said.

[Tashkent to increase waste processing by 50%](#)

The President of Uzbekistan instructed to increase the volume of waste processing in Tashkent to at least 50%. Now, this figure is 18% (700,000 tons).

[Tashkent to receive USD 1.7 billion for service sector development](#)

In 2023, UZS 20 trillion (approx. USD 1.75 billion) of loans will be directed toward the development of the service sector in the city of Tashkent. Another UZS 300 billion (approx. USD 26 million) of preferential loans will be given to support the family businesses.

[Uzbekistan to allocate USD 1 billion to renewable energy in Tashkent](#)

It is planned to allocate USD 1 billion for the introduction of renewable energy sources in the capital of Uzbekistan, the president said. The head of state noted that the demand for electricity and natural gas is constantly growing in the city.

[In 2023, Uzbekistan plans to provide 77% of its population with centralised drinking water](#)

Uzbekistan wants to increase centralised drinking water provision to 77% by 2023. 54 facilities will build 105 structures and 1.4 thousand km of water and sewage networks.

[Uzbekistan to hold President Tech Award, an annual USD 1 million startup competition](#)

Uzbekistan will annually hold the President Tech Award competition for the prize of the President of Uzbekistan,

with a total prize fund of USD 1 million for the best startup project in the field of digital technologies. Only citizens of Uzbekistan and foreign citizens who are employees of IT Park residents will be eligible to apply for the competition.

3. LEGISLATION

3.1. LEGISLATIVE CHANGE

[Uzbekistan introduced a new business & tax liability classification](#)

According to a new decree “On measures to further improve the criteria for categorising business entities, as well as tax policy and tax administration” issued as of February 10, 2023, businesses in Uzbekistan will be classified based on their annual revenue (previously based on a number of staff).

New classification:

1. Small business - entities with an annual turnover of 1 billion to UZS 10 billion;
2. Medium business - entities with an annual turnover from UZS 10 to UZS 100 billion (now there is no concept of medium business).
3. Large business - entities with an annual turnover from UZS 100 billion.

Additionally:

- The reduction of the income tax rate for banks, financial institutions and telecommunications companies from 20% to 15% is postponed until 2025.
- Enterprises that have recently switched from small to medium businesses will pay only 50% income tax within the first two years.

[Presidential Decree “On measures to improve the efficiency of state control in the use of fuel and energy resources” of Feb 13, 2023.](#)

As of February 17, 2023: entrepreneurs, including foreign investors, will be allowed to sell electricity generated from renewable sources. According to the document, electricity will be sold to state bodies and territorial electricity grids at the defined rates, while to other consumers at the agreed-upon pricing stipulated in the contract. Furthermore, entrepreneurs will be able

3.2. NOTABLE APPOINTMENTS

[Uzbekistan to spend over USD 35 million on the installation of solar panels in Tashkent](#)

In Tashkent, it is planned to allocate UZS 390 billion for the installation of solar panels in 1,063 organizations financed from the budgets of the city and districts (kindergartens, schools, hospitals, budgetary organizations).

to put renewable energy on other people's buildings and then sell it.

As of May 2023: Industrial plants will massively begin switching from gas to coal. Imported coal transported by rail will receive a 50% discount, regardless of distance.

[Additional 200 public services In Uzbekistan will be digitalised](#)

The draft State Program for 2023 provides for bringing the share of governmental services provided through the Governmental Services Centre (GSC) and the my.gov.uz portal to 73%, and reducing fees. All services related to the allocation of subsidies from the budget to individuals and legal entities shall be provided through a single portal.

[Uzbek banks to be banned from issuing subordinated debt as deposits](#)

The Central Bank of Uzbekistan introduces amendments, according to which the practice of issuing subordinated debt under the guise of deposits is prohibited. The regulator is also introducing requirements to increase transparency in the provision of loans. The amendments come into force on April 28, 2023.

[Uzbekistan simplified requirements for temporary registration of foreigners](#)

The Cabinet of Ministers of Uzbekistan adopted a new decree that establishes a single deadline for applying for temporary registration of foreign citizens in the departments of migration and citizenship, accommodation facilities and medical institutions - within 3 days.

- **First Deputy Minister of Internal Affairs - Head of the Operations and Search Department of the Ministry of Internal Affairs**
Appointed - Shavkat Rakhmonov
Previously served as - Chief of the police department of the Namangan region
- **First Deputy Minister of Investments, Industry and Trade**
Appointed - Nozimjon Kholmurodov
- **First Deputy Minister of Economy and Finance**
Appointed - Ilkhom Norkulov
Previously served as - First Deputy Minister of Economic Development and Poverty Reduction
- **Deputy Minister of Energy**
Appointed - Akmal Djumanazarov
Previously served as - Head of the department for Geology, Energy and Industry at the Cabinet of Ministers
- **Deputy Ministers of Economy and Finance**
Appointed - Erkin Rustamov, Adiz Boboev, Dilshod Sultanov & Gulnora Rakhimova, and Anvar Karimov
Previously served as - First Deputy Minister, Deputy Minister of Economic Development and Poverty Reduction and Deputy Ministers of Finance, and First Deputy Mayor of the Syrdarya region
- **Deputy Ministers of Investments, Industry and Trade**
Appointed - Olimkhan Rustamov, Khurram Teshabaev, Oybek Khamraev, Sarvar Khamidov, Badriddin Abidov
- **Deputy Ministers of Agriculture**
Appointed - Umid Madaminov and Ahadbek Khaidarov
- **Deputy General Prosecutor of Uzbekistan**
Appointed - Salom Samadov
Previously served as - Prosecutor of Kashkadarya
- **Adviser to Prime Minister**
Appointed - Ravil Abdukadyrov
Previously served as - Deputy Presidential Adviser on Youth, Science, Education, Health, Culture and Sports
- **A spokesperson at the Uzbekistan Foreign Ministry - Counselor to the Foreign Minister**
Appointed - Akhror Burkhanov
Previously served in the Embassy of the Republic of Uzbekistan in the United States of America
- **Deputy Head of the Prime Minister's Secretariat**
Appointed - Shukhrat Sadikov
Previously served as - Minister for the Development of Information Technologies and Communications
- **Adviser to Minister of Natural Resources**
Appointed - Rasul Kusherbayev
Previously served as - Deputy of the Legislative Chamber of the Oliy Majlis
- **Head of the State Financial Control Inspectorate under the Ministry of Economy and Finance**
Appointed - Lutfullo Umurzakov
- **Head of the inspection of control over the agro-industry complex under the Ministry of Agriculture**
Appointed - Abrol Vahabov
- **Chairman of the State Reserves Management Committee under the Ministry of Economy and Finance**
Appointed - Mirshod Kurbanov
- **Chairman of the Committee for the Development of Silk and Wool Industry under the Ministry of Agriculture**
Appointed - Bahrom Sharipov
- **Director of the Renewable Energy Project Office at the Ministry of Energy**
Appointed - Sherzod Khojaev
Previously served as - Deputy Minister of Energy
- **Director of the Cadastre Agency under the Ministry of Economy and Finance**
Appointed - Farrukh Pulatov
- **Director of the Agency for Attracting Foreign Investments under the Ministry of Investments, Industry and Trade**
Appointed - Murat Mirzaev
- **Director of the Technical Regulation Agency under the Ministry of Investments, Industry**

and Trade**Appointed** - Dilshod Sattarov

- **Director of the Agency for the Development of the Pharmaceutical Network under the Ministry of Investments, Industry and Trade**
Appointed - Ulugbek Egamov
- **Director of the Plant Quarantine and Protection Agency under the Ministry of**

Agriculture**Appointed** - Ibrahim Ergashev

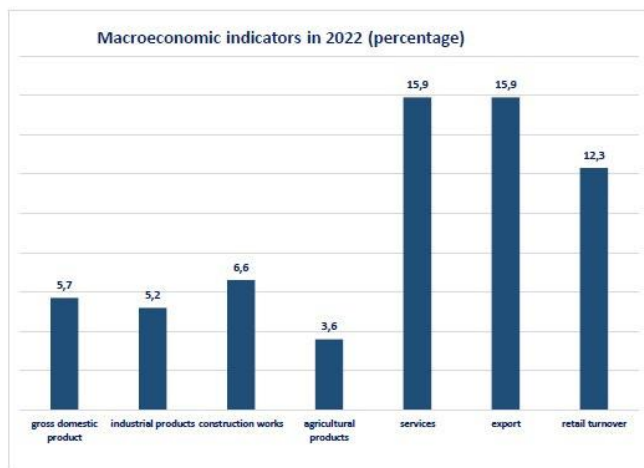
- **Director of the Agricultural Services Agency under the Ministry of Agriculture**
Appointed - Husniddin Karimov
- **Acting Head of «Mahsustran» enterprise**
Appointed - Kamoliddin Nabiyev
Previously served as - Head of the Republican Centre for Environmental Protection Measures at the State Committee on Ecology

4. ECONOMY

4.1. KEY ECONOMIC INDICATORS, LOANS, & PUBLIC FINANCE

Ministry of Economy and Finance releases Key Economic Indicators for 2022

In 2022, Uzbekistan's gross domestic product grew by 5.7 per cent in real terms over the past year. 55.1% of GDP growth came from the services sector, 23.3% from industry, 15.5% from agriculture and 7.2% from construction.



Source: Ministry of Economy & Finance

Uzbekistan's GDP per capita reached USD 2,255 (3.5 per cent growth). The annual inflation rate stood at 12.3 per cent, with the highest inflation rates recorded in the food sector - 15.6 per cent.

Inflation in Uzbekistan was estimated at 0.8% in January

Consumer goods and services rose 0.8% in January 2023, according to the Statistics Agency of Uzbekistan. Consumer prices rose 12.2% annually. Prices and taxes rose 1% in January, led by food products. Non-food

prices rose 0.6% and paid services rose 0.7% during this period.

Uzbekistan's February inflation rate falls to 0.54%

Uzbekistan's monthly inflation rate fell to 0.54% in February, but rising prices for fruits and vegetables partially offset the reduction in prices for other products. The overall increase in prices in January-February was the lowest over the past five years. Food products remain the main drivers of inflation, with a rise in prices of 15.5% compared to last February, especially for vegetables and fruits due to seasonal factors. Despite the slight increase in inflation in February compared to 2022, the annual rate of inflation has decreased.

Uzbekistan plans to reduce the inflation rate below 10% in 2023

Uzbekistan is the 10th fastest-growing Asian economy by IMF's 2023 GDP growth forecast

In the past 15 years, Uzbekistan has been the leader in attracting financing in Eurasia

During this period, the country attracted USD 20.9 billion, the press service of the Eurasian Fund for Stabilization and Development (EFSD) reports. Uzbekistan also leads in terms of the number of operations - which is 541. Kazakhstan follows - USD 14.2 billion and 271 operations, with Georgia - USD 11.3 billion and 438, respectively.

Uzbekistan's public debt increased almost 4 times over 6 years

Uzbekistan's external debt has accelerated during the previous six years, according to the Agency for Strategic

Reforms. As of October 1, 2022, external public and publicly guaranteed debt was 30.14% of GDP, or USD 23.16 billion, up from 8% in 2016. Uzbekistan raised USD 17.0 billion in debt, and USD 6.16 billion in state-guaranteed external debt.

ADB to provide a USD 150 million loan to Uzbekistan to improve economic governance

The Asian Development Bank (ADB) has approved a USD 150 million loan and a USD 400,000 grant to improve economic governance in Uzbekistan. "Improving fiscal transparency, corporate governance, and professional governance of SOEs, along with strengthening antitrust systems, are essential to creating fiscal space for public sector investment, improving the quality of public service delivery, and creating an enabling environment for private sector development in Uzbekistan," said ADB Chief Economist for Public Administration Chidem Akin.

S&P forecasts Uzbekistan's GDP growth to slow to 5% in 2023

EBRD updates forecast on Uzbekistan's GDP growth for 2023

According to the European Bank for Reconstruction and Development (EBRD), Uzbekistan's GDP growth will increase from the previously predicted 5.7% to 6.5% in 2023 and 7% in 2024.

In January, Uzbekistan's foreign trade with Central Asia sees an 8% growth

In January 2023, the volume of Uzbekistan's foreign trade with Central Asian countries increased by 8% and reached USD 449.7 million, accounting for 8.9% of total foreign trade. Uzbekistan's exports to Central Asia amounted to USD 139.0 million and imports - USD 310.8 million (18.4% growth).

4.2. TRADE & BUSINESS

Uzbekistan - EU bilateral trade surged by 15.7% in 2022

The bilateral trade between Uzbekistan and the European Union increased by 15.7% in 2022, reaching USD 4.4 billion, including due to Uzbekistan's GSP+ status. The top five EU countries in trade with Uzbekistan include Germany, Lithuania, Italy, Poland, and France.

Uzbekistan sells distillery "Kukon biokimyo" for USD 24.5 million

State Development Bank of China loaned Uzbek National Bank roughly USD 260 million

The National Bank and the State Development Bank of China signed an agreement on the implementation of major investment and infrastructure projects. The main issue on the agenda was the discussion of the issue of joint financing of the project for the purchase of passenger buses in the amount of 1.8 billion yuan (approx. USD 259 million). The suppliers of buses and electric buses under this project are some of the largest manufacturers in China, such as King Long, Yutong, Foton and others.

Uzbekistan's payroll taxpayers' base increased to 5 million people in 2022

In 2022, receipts from personal income tax (PIT) in Uzbekistan amounted to UZS 24.3 trillion (approx. USD 2.1 billion), which is UZS 5.4 trillion (approx. USD 480 million), or 28.4% more than in 2021. In particular, the tax withheld by employers at the source of payment amounted to UZS 22.5 trillion (it was UZS 17.5 trillion). The number of Uzbekistanis paying payroll taxes increased by 215,000 over the year, to 5 million people. Most of them still receive a salary of UZS 1-2 million (approx. USD 90-180), but their share continues to decline. At the same time, the number of taxpayers with a salary of UZS 4-5.5 million (approx. USD 350-USD 500) and more has sharply increased.

Uzbekistan starts the preparation for privatizing Navoiyazot

The State Assets Management Agency in Uzbekistan has launched a competition to attract a leading consultant for developing a privatization strategy for Navoiyazot, one of the country's largest chemical enterprises. The implementation period is 6-8 months, and the deadline for applications is March 27.

UzSAMA sold 99.7% of the state share in Kokand Biokimyo distillery to First Premium Alliance for UZS 277 billion (USD 24.5 million).

Uzbekistan exports trucks worth USD 16.2 million in 2022

Uzbekistan sells nearly 90% of Quartz JSC state share for USD 23 million

According to the State Assets Management Agency of Uzbekistan, the state share in the amount of 89.78% in the Quartz glass factory was sold to Kuvasaycement

(owned by the United Cement Group) for UZS 265 billion (approx. USD 23.38 million). The deal provides for the repayment of the plant's loan obligations in the amount of EUR 47.2 million.

Russia's FDI in Uzbekistan amounted to nearly \$9 billion in H1 of 2022

Russia's direct investments in the economy of Uzbekistan in the first half of 2022 reached USD 8.8 billion, mainly in fossil fuel production.

Uzbekistan-China bilateral trade reached nearly USD 9 billion in 2022

Trade turnover between Uzbekistan and China surged by 20% in 2022 reaching nearly USD 9bn, Deputy Prime Minister of Uzbekistan Jamshid Khojayeov said at China+Central Asia Industry and Investment Cooperation Forum addressing its participants via video message. Besides, Jamshid Khojayeov stressed that over 2,100 enterprises are operating in the Central Asian republic with the participation of Chinese capital.

German STADA to increase the supply of medicines to the Uzbek market

The pharmaceutical group STADA Arzneimittel AG has registered a representative office in Uzbekistan. STADA Subsidiary LLC will distribute drugs on the local market. The company expects to increase the supply of medicines manufactured by STADA to Uzbekistan and increase its contribution to the development of local healthcare. According to the company, only in January-October 2022, the pharmaceutical market of Uzbekistan grew by 10.6% in terms of euros. This year, STADA expects sales growth of 12-15%, head of the company's local representative office, said.

Uzbekistan and Kazakhstan launch 42 joint projects worth USD 2 billion

4.3. BANKING & FINANCE

Uzbek Kapitalbank to become part of the Uzum ecosystem

Kapitalbank joins the Uzum group of companies, which, as the bank expects, will allow expanding its client base through users of the Uzum marketplace. At the same time, the bank will retain its own brand and promise to leave the conditions for partners and customers unchanged.

On February 22, Kazakhstan's Minister of Industry and Infrastructure Development met with the Ambassador of Uzbekistan to Kazakhstan. It was noted that in the field of industrial cooperation, Kazakhstan and Uzbekistan are implementing 42 joint projects worth USD 2.1 billion with the creation of more than 10 thousand jobs. Of these, on the territory of Kazakhstan - 29, in Uzbekistan - 13.

Uzbekistan exports products to 117 countries globally - IFMR

Kyrgyzstan's export of cattle to Uzbekistan expanded sevenfold in 2022

The Kyrgyz Republic has increased cattle exports to Uzbekistan sevenfold in 2022. 20,000 heads of cattle were exported to neighbouring Uzbekistan compared to nearly 3,000 heads of cattle exported in 2021. Export amounted to USD 17 million or USD 846 for one animal on average.

Uzbekistan's foreign trade turnover with EEU grows by 21.5% in January

Uzbekistan's foreign trade turnover with member states of the Eurasian Economic Union (EEU) grew by 21.5% in January 2023, amounting to USD 1.1 billion. Of these, exports amounted to USD 327 million and imports to USD 802 million. The EEU countries account for 22.4% of Uzbekistan's total foreign trade turnover, with Russia accounting for 61% of Uzbekistan's foreign trade turnover with EEU countries. Uzbekistan's observer status in the EEU allows it to expand economic cooperation while following the rules of the common market.

Bank deposit rates in Uzbek soums decreased to 20.2% in December

Rates on bank deposits in the national currency for the population in Uzbekistan are again reduced to 20.2% in December 2022, as follows from the data of the Central Bank. Such low rates have not been observed since January 2022. Meanwhile, the average profitability of deposits in foreign currency is actively growing, especially for businesses.

In 2022, money transfers to Uzbekistan amounted to USD 16.9 billion

In 2022, Uzbekistan received a record USD 16.9 billion in remittances, which is 2.1 times more than in 2021. According to him, 85% or about USD 14.5 billion of transfers are to Russia, which is 2.6 times more than in 2021. The volume of transfers from Uzbekistan to other countries (primarily Turkey and China) increased by 29% to USD 2.1 billion.

The World Bank: 3% of Uzbekistan's adult population saved at a bank

In 2021, only 3% of Uzbek adults saved with a bank, according to World Bank (WB) estimates. Tajikistan had the lowest proportion at 1%. It shows Uzbek distrust in the financial system. Formal savings can improve Uzbekistan's economic opportunities, human capital, shock resilience, and shared prosperity.

In 2022, Uzbek banks sold USD 8.9 billion to the population

Individuals sold USD 11.9 billion in foreign currency to Uzbek banks, whereas individuals bought USD 8.9 billion in foreign currency, 1.9 times more than in 2021 (USD 4.6 billion). Individual foreign currency supply surpassed demand by USD 2.9 billion in 2022.

Uzbekistanis spend 40-50% of their income on buying food - DPM Kuchkarov

Residents of Uzbekistan spend 40-50% of their income on buying food, said Deputy PM Jamshid Kuchkarov at a meeting of the Legislative Chamber of Oliy Majlis.

4.4. TRANSPORTATION & LOGISTICS**Kuwaiti airline Jazeera Airways launches flights between Kuwait and Samarkand****Uzbekistan spurs car production by 2.3 times in the last 5 years**

According to the Institute of Forecasting and Macroeconomic Research (IFMR), the share of the car production industry in the country's GDP lifted from 21.1 per cent in 2017 to 26.7 per cent in 2022. While the country's car manufacturers could achieve 2.3 times of production, the automobile engine makers managed to have 2.5 times of output in 5 years-time.

Lot Polish Airlines intends to connect Warsaw and Tashkent**In 2022, Uzbek Central Bank increased its gold reserves by 34 tons**

According to World Gold Council, in 2022, the Central Bank of Uzbekistan increased its gold reserves by 34 tons.

In January, Uzbek Central Bank's int'l reserves rose to almost USD 36 billion

As of February 1, the official international reserves of Uzbekistan reached USD 35.94 billion. In January, their volume increased by USD 181 million.

Uzbekistan likely not to issue Eurobonds in H1 2023

Uzbekistan, most likely, will not issue Eurobonds in the first half of the year, taking into account the high cost of raising debt today, Behzod Khamraev, deputy head of the Central Bank, said. According to him, the rise in the cost of borrowing can become a deterrent for the government of Uzbekistan from unnecessary spending.

In 2022, Uzbek banks issued mortgage loans for USD 1.2 billion

In 2022, the balance of mortgage loans in Uzbekistan amounted to UZS 46.4 trillion (approx. USD 4 billion), an increase of 29.6% (UZS 10.6 trillion) compared to 2021. During 2022, Uzbek banks issued mortgage loans for UZS 14.4 trillion (approx. USD 1.2 billion) - an increase of 46.9%. Financing under the state program increased by 75%, and at the expense of banks - by 4.4 times. Most of the funds were directed to the purchase of new housing, most loans were allocated in Tashkent.

Michal Fijol, vice-president of Lot Polish Airlines, announced that long-awaited regular flights between Warsaw and Tashkent might begin soon.

AirAsia eyes entering the Central Asian market

AirAsia Group is eyeing destinations in the Indian subcontinent and Central Asia as part of the next phase of its expansion. AirAsia Chief Commercial Officer Karen Chan tells Aviation Week Network that Bangladesh and Pakistan offer a huge opportunity for the LCC, while Uzbekistan and Kazakhstan are also potential target markets.

Uzbekistan purchased 13 new aircraft in January

According to the Statistics Agency, in January 2023, Uzbekistan imported 13 aircraft from abroad. The total

cost of the purchased planes was USD 633.1 million. Almost half of all the imported aircraft was purchased from Germany.

[In January, Uzbekistan registered an 18% car sale increase - CERR](#)

In January, Uzbekistan registered 118,000 transactions with cars (92,000 of them secondary market). Monthly sales after the decline in December again show an increase of 18%. Compared to January last year, when there was a sharp increase in sales after the abolition of the fee for the purchase of cars, the figure increased by 19.7%.

4.5. AGRICULTURE, MINING, & MANUFACTURING

[Polish Pronar plans to organise the production of agricultural machinery in Uzbekistan](#)

The head of the largest Polish engineering company Pronar Sergiush Martinyuk announced plans to invest in the phased creation of agricultural machinery production in Uzbekistan. This decision was made due to the presence in Uzbekistan of many types of raw materials - metal, glass, plastic, rubber and others, a good production base for mechanical engineering, as well as the high demand for agricultural machinery in the countries of Central Asia.

[NavoiUran will export uranium to India](#)

The agreement was inked with the Indian Department of Atomic Energy, as per which Uzbekistan's state-owned uranium mining company NavoiUran will export uranium oxide to India starting from March 2023.

[Ferghana oil refinery \(FNPZ\) plans to increase the processing of raw materials twice](#)

Upon completion of the modernization, by 2024 the FNPZ will be able to double the processing of raw

materials - up to 2 million tons per year, and the depth of hydrocarbon processing - from 87% to 92%.

[Nearly 3.6 million people work in the agricultural sector of Uzbekistan](#)

According to Uzbekistan's Ministry of Agriculture, in 2022, the agricultural sector contributed 25% to the country's GDP. The sector employs nearly 3.6 million people as 49% of the republic's population lives in rural areas. Currently, 70% of Uzbekistan's food products are produced by private farms. Reportedly, to date, the Ministry of Agriculture is implementing 11 major projects worth USD 2.5 billion.

[Azerbaijan's AzerGold to assist in prospecting precious metal deposits in Uzbekistan](#)

The Azerbaijani mining company, AzerGold, has signed a memorandum with the Ministry of Mining and Geology of Uzbekistan to participate in prospecting and developing precious metal deposits in the country. The partnership will involve the exchange of technical assistance and the preparation of specific proposals for the implementation of projects.

4.6. CONSTRUCTION & REAL ESTATE

[Tashkent airport authorities plan to erect a new terminal](#)

A new terminal will appear at the Tashkent airport premises. The Chairperson of the Board of Uzbekistan Airports Rano Juraeva announced this during the press

conference on February 17. "We want to improve the airport service by building a small terminal and additional six baggage belts," Juraeva said. According to the chairperson, 40 aircraft stands will be built in 2023. "34 planes of 10 airlines wish to have the service station at the Tashkent airport," she concluded.

4.7. INFORMATION TECHNOLOGY & R&D

[Uzbek IT Park's export volume increased by 3.5 times in 2022](#)

The export of IT Park resident companies increased by 3.5 times last year, and the volume of services provided

in the domestic market increased by 2.5 times. The number of foreign residents of the technology park has increased almost seven times - from 23 to 157 companies.

4.8. ENERGY & PETROCHEMICALS

[Uzbekistanis' demand for electricity may grow annually by 5% until 2035](#)

The Institute for Forecasting and Macroeconomic Research (IFMR) predicts a 5–5.3% yearly increase in Uzbek power demand until 2035. By 2030, energy capacity must rise by 1.7 times to meet population and economic growth.

[Uzbekistan to increase electricity generation for household needs by 50% in 2023](#)

In 2023, Uzbekistan plans to install solar panels with a total capacity of 1,700 MW, as well as to build 18 additional solar power stations, which will result in 50 per cent increase in electricity generation for households, said President Shavkat Mirziyoyev at a meeting on measures to expand the use of renewable energy sources.

[Uzbekistan to launch 7 power plants with a total capacity of nearly 3 GW in 2023](#)

In 2023, it is planned to launch 7 more new power plants in Uzbekistan. The total generation capacity at future energy facilities will be 2910.6 MW. Of the seven facilities, one will operate on gas, and six on renewable energy sources.

[South Korea may start producing solar panels in Uzbekistan](#)

[Uzbekistan may reactivate North Sokh gasholder after years of inactivity](#)

[Methane gas stations will receive 5 times more gas - Uzbek President](#)

In Uzbekistan, automobile gas-filling compressor stations (CNG stations) will receive five times more gas, within a week, methane gas stations will receive 5 million cubic meters of gas daily instead of the current 1 million, Uzbek President Shavkat Mirziyoyev stated.

[1.3 MW photoelectric power plant put into operation in Uzbekistan](#)

A solar photoelectric power plant with a capacity of 1.3 MW was put into operation at the Syrdarya TPP, which will generate an additional 2.3 million kWh of electricity and will save 750,000 cubic meters of natural gas per year.

[Uzbekistan may resume operation of the Andijan hydroelectric plant](#)

[German company to build a 600 MW solar power plant in Uzbekistan](#)

A 600 MW photovoltaic power plant will be built in Zharkurgan, Surkhandarya. Graess Energy Uzde and the Surkhandarya region's khokimiyat (administration) struck a construction agreement on February 3. The project is expected to cost USD 500 million.

[In 2022, Uzbekistan generated 74.3 billion kWh of electricity](#)

In 2022, the volume of electricity production reached 74.3 billion kWh, which rose by 15.3 billion kWh or 25.9% compared to 2016 (59.0 billion kWh).

[Egypt intends to build large energy facilities in Uzbekistan](#)

[Total Eren may build new photoelectric power stations in Uzbekistan](#)

[Turkish company intends to build a 1,000 MW solar power plant in Uzbekistan](#)

The Turkish company Alarko Holding plans to implement a project for the construction of a photoelectric power plant with a capacity of 1000 MW in one of the districts of the Fergana region of Uzbekistan.

[A Chinese consortium to build PV power plants and invest USD 2 billion in Uzbekistan](#)

The Ministry of Energy of Uzbekistan has signed an agreement with a consortium of Chinese companies (Huaneng Renewables Corporation and Poly Technologies) to build solar photovoltaic stations with a total capacity of 2,000 MW in the Jizzakh and Tashkent regions. As part of the agreement, the consortium will make direct investments in Uzbekistan in the amount of USD 2 billion, the report said. The first capacities of these solar photovoltaic stations are planned to be launched by the end of this year, and in 2024 - at full capacity.

[Uzbekistan and China will construct Central Asia's first hydraulic plant](#)

The Chinese company Zhejiang Jinlun Electromechanic and Uzbekhydroenergo JSC have agreed to build the only plant in Central Asia for the production of hydroelectric units with a capacity of 2–15 MW.

[Uzbekistan's largest oil producer beats odds to boost recovery](#)

Sanoat Energetika Guruhi (SEG), Uzbekistan's largest privately held oil company, increased conventional oil production last year despite depleted fields. SEG claimed a 9% growth in oil production to nearly 4 million barrels in its 2022 operational update, despite operating dozens of declining oilfields previously operated by state-owned Uzbekneftegaz.

In 2023, Uzbekistan to allocate USD 15.4 billion to renewable energy sources

In 2023, Uzbekistan plans to launch renewable energy sources (RES) with a total capacity of 4,300 MW. Funds in the amount of USD 15.4 billion will be allocated for these purposes.

Uzbekistan to put into operation 3 TPPs with a total capacity of 4633 MW by 2026

Kazakhstan is to construct the third line of the Bukhara-Ural gas pipeline for USD 95 million

Kazakhstan this year plans to start construction of the third string of the Bukhara-Ural gas pipeline (162 km length). The total cost is about KZT 43 billion (approx. USD 95 million). It can be used to export Russian gas to Uzbekistan. The total length of the gas pipeline, which connects Uzbekistan, Kazakhstan and Russia, exceeds 4,500 km. The first of the two lines of the gas pipeline was launched in 1963, and the second - was in 1966.

Gas production in Uzbekistan fell by 4% in 2022 despite tax breaks

Receipts from the subsoil use tax in 2022 decreased by USZ 1.92 trillion (approx. USD 169.5 million), or 12.2%. Despite tax breaks announced for gas companies (tax rates for natural gas production were reduced from 30% to 10%, and for oil and gas condensate - from 20% to 10%), gas production fell by 4%, gas condensate - by 2.8%, and the state budget did not receive USZ 538.1 billion (approx. USD 47.5 million) of tax for the use of subsoil in 2022. However, oil production increased by 1.8%.

IEA: Uzbekistan's electrical energy demand declines by an estimated 1% in 2022

Uzbekistan's electricity demand declined by an estimated 1% in 2022, according to the latest electricity market update from the International Energy Agency (IEA). Reportedly, Uzbekistan is the Eurasia region's third-largest electricity consumer, and its electricity demand surged by 7% (+4.1 TWh) in 2021. Besides, Uzbekistan put into operation additional six thermal power plants with a combined capacity of 1.4 GW and one solar power generation complex with a capacity of 100 MW during 11M2022. 'Natural gas output fell by 4% (-2 bcm) year-on-year in 2022 due to aging fields with rapidly deteriorating production rates. As of the middle of November 2022, Uzbekistan stopped natural gas exports, with officials suggesting a supply-demand gap of 20 mcm/d in the country,' the report reads.

USEFUL LINKS & NOTABLE ARTICLES, PUBLICATIONS

1. [**Euromonitor Int'l says Russia receives EU goods indirectly through Central Asian countries**](#) (RBC)
2. [**Special Investigation: How Russia And Political Insiders Cash In On Uzbekistan's Lucrative Gas sector**](#) (RFE/RL Uzbek Service)
3. [**Information provided on ownership of oil and gas fields in Uzbekistan**](#) (KunUz)
4. [**Uzbekistan's Transition to a Green Economy: Challenges and Opportunities**](#) (The Diplomat)
5. [**Demand for the UK's expertise is flourishing in Uzbekistan**](#) (Telegraph)
6. [**Is the Aral Sea a Lost Cause?**](#) (The Diplomat)
7. [**A Gender Perspective on HIV Prevalence in Uzbekistan**](#) (The Diplomat)

8. [Will Kazakhstan and Uzbekistan's Reforms Be Transformative?](#) (The National Interest)
9. [The social and political cost of climate inaction in Central Asia](#) (The Diplomat)
10. [The return of Central Asia: the EU's engagement with a region threatened by the Dragonbear](#) (ENC & Konrad Adenauer Stiftung)
11. [How the EU can secure its position in Central Asia](#) (IPS-Journal)
12. [Blinken strikes reassuring tone in dialogue with Central Asian partners](#) (Eurasianet)
13. [How cold weather exposed the energy crisis in Central Asia](#) (BBC)
14. [Ageing Energy Infrastructure is Holding Central Asia Back](#) (Bourse & Bazaar Foundation)
15. [Central Asia is a missing link in analyses of critical materials for the global clean energy transition](#) (One Earth)
16. [Will Organisation of Turkic States become the leading platform in Central Asia?](#) (Cabar)
17. [Uzbekistan's relations with Taliban starts to fray](#) (BNE Intellinews)
18. ["I was naive about Russia": Central Asians on the Ukraine war](#) (AlJazeera)

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