

## Law Alert



With the aim of preventing the illegal import, production and sale of products in Uzbekistan, as well as improving mechanisms to ensure the legitimate movement of certain types of products and safeguarding consumer rights, on 20 November 2020 the Cabinet of Ministers of the Republic of Uzbekistan ("Uzbekistan") adopted Resolution on the Introduction of a Mandatory System of Digital Labeling for Certain Types of Products No. 737 (the "Resolution").

Earlier, in accordance with Resolution of the Cabinet of Ministers of Uzbekistan on Measures for the Gradual Introduction of the Procedure for Labeling Products through Identification and Further Tracking No. 944 dated 23 November 2019, a pilot project for the gradual introduction of the procedure for labeling and further tracking of products (the "Pilot Project") was introduced. The Pilot Project identified key measures for the transition to a mandatory labeling system. The Resolution highlights the following measures implemented within the framework of the Pilot Project:

- pilot labeled cigarette packs have been successfully released;
- tobacco factories have been furnished with special server equipment to launch a tracking mechanism for labeled tobacco products;
- pilot labels for alcoholic beverages have been issued, and components of the labeling information system have been installed.

The Uzbekistan State Tax Committee has been appointed as the authorized body for the effective implementation and coordination of the Pilot Project.

The Resolution approved the following documents:

the list of goods subject to mandatory digital labeling by means of identification in 2021-2022;

• the "Road Map" for the effective implementation of mandatory digital labeling for certain types of goods.

The Uzbekistan State Tax Committee has also been authorized to expand the list of goods subject to digital labeling and determine the respective timing for its implementation.

Mandatory labeling has been introduced for the following products:

- Tobacco and alcohol products starting from 1 January 2021 (the import of unlabeled products is prohibited from 1 March 2021);
- Beer products starting from 1 April 2021;
- For drugs and medical products, water and soft drinks, and household appliances, the date of introduction of mandatory labeling will be determined by the Cabinet of Ministers based on the outcome of the Pilot Project.

To ensure smooth implementation of the new procedure for mandatory digital labeling, the Resolution provides for a twelve-month grace period allowing the sale of the abovementioned products produced/imported before the date of introduction of mandatory labeling. The sale of unlabeled products subject to mandatory labeling will be prohibited after the end of this twelve-month term.

The Uzbekistan State Tax Committee has also been instructed to:

- draft a Regulation on the Procedure for Labeling and Tracking Alcohol and Tobacco Products by 10 December 2020;
- draft a Regulation on the Procedure for Labeling and Tracking other types of goods by 30 December 2020 based on the outcome of the Pilot Project;
- ensure the launch of the Asl belgisi National Information System for Monitoring Labeling and Tracking Products ("Asl belgisi NIS") by 1 December 2020 in cooperation with the Ministry for the Development of Information Technologies and Communications of Uzbekistan.

The main objectives of Asl belgisi NIS are:

- the automatization of processes to collect and process information on the movement of goods subject to mandatory labeling through identification, by registering all stages of the product's movement;
- ensuring the protection of information stored in Asl belgisi NIS, with the establishment of requirements for the processes of storage, access, transmission, distribution, processing, publication and use of information.

All enterprises engaged in the retail and wholesale trade of goods subject to digital labeling need to be registered with AsI belgisi NIS.

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