



REPORT SUMMARY

The public's opinion was heard during the "Initiative Budget" project's proposal submission stage. At the same time, efforts are being made to eliminate corruption and inefficiency at customs borders. However, Uzbekistan's Democracy Index for 2021, like the rest of Central Asia, has not improved.

In the international arena Uzbekistan has further strengthened ties with European and Asian nations, as well as with International Organizations, like the Asian Development Bank. While efforts to join the WTO are still underway, Uzbekistan has announced its willingness to enter the EUEA during a Eurasian Intergovernmental Council meeting. At an Intergovernmental Commission Uzbekistan and Iran have developed a "roadmap" for intensifying cooperation.

To better monitor bilateral projects with South Korea a dedicated Commission of the Senate of the Oliy Majlis was established. Two new ministries and the State Financial Control Inspectorate were created as well. Intellectual Property Rights and Migrating workers are now under better legal protection. And, imported food stuff have been exempted from VAT until April 2022.

MONTHLY HIGHLIGHTS

"The STI Policy will be one of the main instruments for Uzbekistan to achieve its objective of becoming a high middle-income country by 2030 by doubling per capita income, and reducing poverty and inequality."

UNESCO

"In 2022, the amount of funds allocated for [the "Initiative Budget" project] will be increased by 4 times ... This year it will be possible to finance more than 1,600 proposals, and next year their number will increase by 4-5 times."

Sherzod Mukhammedov,
Former head of department under the
Ministry of Finance

"Our alliance ties relations cover a wide spectrum, including the political, trade, economic, and humanitarian and cultural areas. Parliamentary diplomacy plays a special role in this regard."

Kassym-Jomart Tokayev,
President of Kazakhstan

"We regard Uzbekistan as a cooperation partner to the EU and NATO in promoting security and stability in the region."

Edgars Rinkevics,
Latvian Foreign Minister

"The [Development Strategy of the New Uzbekistan for 2022-2026] is an important follow-up to the 2017-2021 National Action Strategy and sets the way forward for implementing the Government of Uzbekistan's ambitious reform agenda."

Mikaela Meredith,
USAID's Mission Director



IMPORTANT NEWS PUBLICATIONS AND ARTICLES

LOCAL GOVERNMENT ACTIVITY

The first “Initiative Budget” project in 2022 finished accepting proposals from the population

Uzbekistan’s Ministry of Finance started its second “Initiative Budget” project with a budget of 1 trillion soums (almost USD 92 million). Its purpose is to give voice to citizens and address local issues. The proposals submitted through the “Open Budget” portal shall be reviewed from the 3rd to the 20th of March. Another round of the “Initiative Budget” is planned to be held during August 2022.

Source: [Ministry of Finance](#); [Kun.uz](#)

Transformation of customs system into a corruption-free sphere is a priority task for Uzbekistan

To meet the objectives set in the Development Strategy for 2022-2026, the President of Uzbekistan has instructed to change the customs system. The President noted that in order to ensure convenient and smuggling-proof customs procedures infrastructure around customs posts must be improved, digital technologies must be implemented, and customs staff must be trained to meet world standards. To prevent corruption at customs posts, particular attention was paid to the social and material well-being of customs workers.

Source: [Uzbekistan-geneva.ch](#)

Uzbekistan ranked 150 out of 165 countries in Democracy Index 2021

The Economist Intelligence Unit has published its Democracy Index 2021 report. According to it, Uzbekistan has not changed compared to last year and still has an “authoritarian regime”. Similarly, other Central Asian states’ ratings have either not changed or declined based on the report. Looking at the standings, out of the five Central Asian states, Uzbekistan came in 3rd in 2021.

Source: [Economic Intelligence](#)

REGIONAL COOPERATION AND PARTNERSHIPS

Pakistan and Uzbekistan agree to further strengthen bilateral ties

The Foreign Ministers of both nations had a phone call, during which they discussed the prospects of bilateral cooperation between Uzbekistan and Pakistan. Regional security and the importance of supporting Afghanistan were stressed as well.

Source: [UrduPoint](#)

Xi Jinping and Shavkat Mirziyoyev agree on enhancing China-Uzbekistan cooperation

During Mirziyoyev’s visit to China, Xi Jinping held a meeting to discuss bilateral cooperation. China expressed its willingness to support Uzbekistan with improving its energy and gas sectors, and tackling pandemic and poverty issues. Also, emphasis was made on speeding up the China-Kyrgyzstan-Uzbekistan railway. The President of Uzbekistan supported China’s desire to accelerate the completion the project, due to its importance to future Belt and Road cooperation.

Source: [WomenOfChina](#)

ADB is ready to deepen cooperation with Uzbekistan in a wide range of areas

The ADB Partnership Strategy with Uzbekistan for 2019-2023, which correlates with the recently adopted Uzbekistan Development Strategy for 2022-2026, has put forth topics like regional cooperation, private sector support, and equality. For the next 2 years 27 projects with a total value of USD 2.8 billion are planned to be implemented. An Agency under the Ministry of Investment and Foreign Trade will actively cooperate with ADB’s experts to achieve these goals.

Source: [MarketScreener](#)

Russia, Uzbekistan Increasing Bilateral Trade Ties as a Precursor to an EAEU Free Trade Agreement

Russia’s Minister of Industry and Trade and Uzbekistan’s Deputy Prime Minister and Minister of Investments have met in Moscow. They have set the pharmaceutical industry as one of the priority areas for cooperation. In addition, promises were made to accelerate the completion of projects and undertake business missions between their regional leaders in 2022.

Source: [Russia Briefing](#)

Belarus President Lukashenko talks about Uzbekistan's accession into the Union State

During an interview President Lukashenko stated that former CIS nations will eventually join the Union State which was formed between Belarus and Russia in 1999. He stated that while Central Asian countries will join out of economic necessity, Armenia will join because "they have nowhere to go". Ukraine, based on his opinion, will join in the next 15 years as long as no mistakes are made.

In response, Armenia stated that Lukashenko's predictions have "nothing to do with Armenia and its foreign policy". Alisher Kadirov from Uzbekistan's "Milliy Tiklanish" party warned that the expansion of the Union State would cause severe social and economic issues. Uzbek political analysts joined as well, stating that Uzbekistan is an independent state and must continue making appropriate reforms to ensure that.
Source: [bne IntelliNews](#); [Kun.uz\(1\)](#); [Kun.uz\(2\)](#)

Further steps on Uzbekistan's accession to the WTO discussed

During a phone call between the Uzbekistan's Minister of Investments and Foreign Trade and the Director-General of the World Trade Organization, the 5th meeting of the Working Group on Uzbekistan's accession to the WTO was discussed. Particularly, preparation for it and future actions to advance negotiations according to the new "Roadmap" of events for 2022. In response, WTO expressed their readiness to offer technical assistance in establishing trade ties with WTO member states.

Later, a meeting was organized between the Chairman of the European Parliament's Committee on Foreign Affairs and Uzbekistan's Ministry of Investment and Foreign Trade. The acceleration of the Extended Partnership and Cooperation Agreement (PCA) and issues regarding the 5th meeting of the Working Group were brought up.

Source: [Mift.uz\(1\)](#); [Mift.uz\(2\)](#)

Latvia will continue providing political and practical support for Uzbekistan

The Latvian Foreign Minister Edgars Rinkevics visited Uzbekistan with a large business delegation to discuss the current state of cooperation. Rinkevics expressed willingness to organize political consultations for Uzbekistan in the second half of this year. He also pointed out that Central Asia is a top priority region for both Latvia and the EU, hence, raising the importance of the EU-Uzbekistan Enhanced Partnership and Cooperation Agreement (EPCA). During his trip Rinkevics invited the Minister of Foreign Affairs of Uzbekistan to visit Latvia.

Source: [TheBalticTimes](#)

Uzbekistan and Kazakhstan establish an Inter-Parliamentary Cooperation Council

During the visit of the Speaker of the Legislative Chamber of Uzbekistan discussions were held with the President of Kazakhstan, the leadership of the Lower house of the Parliament of Kazakhstan, Speaker of the Senate of the Parliament of the Republic of Kazakhstan, and the Astana International Financial Centre.

An agreement was reached to enhance cooperation between their legislative and legal systems. The importance of platforms like the IPA CIS and knowledge sharing were highlighted. During the meetings, the Uzbek Speaker was presented with the 2nd degree Dostyk Order, as per the decree of the President of Kazakhstan, to boost cooperation between the two states.

Source: [TashkentTimes](#), [IPA CIS](#), [AIFC](#)

International treaty between Uzbekistan and Spain takes effect

The treaty has signed in Madrid, Spain in 2013 and approved by the first President of Uzbekistan in 2014. The document is aimed at establishing cooperation to fight against all types of crime.

Source: [TashkentTimes](#)

Uzbekistan and IDB are strengthening cooperation

The Deputy Prime Minister – Minister of Investments and Foreign Trade of Uzbekistan and the President of the Islamic Development Bank discussed the possibility of expanding cooperation. In the light of the new Development Strategy of Uzbekistan for 2022-2026, both parties have agreed to jointly develop of a new Partnership Cooperation Program for 2023-2025. The program shall impact virtually all industries of Uzbekistan and involve the participation of IDB partners from the private sector.

Source: [Kun.uz](#)

Namangan region to establish close cooperation ties with Chinese city of Tianjin

The Embassy of Uzbekistan in China, the Administrations of the Namngan Region and the Chinese city of Tianjin, and the Association of Chinese Industrial and Commercial Enterprises in Uzbekistan discussed the prospects of economic and educational cooperation between Namangan and Tianjin. The Chinese side expressed their interest in establishing trade and investment ties with the Namangan region, as well as train specialists in logistics and tourism through the Luban Workshop program.

Source: [Dunyo](#)

Uzbekistan's Senate of Oliy Majlis held talks with the Ambassador of France Aurelia Bouchez

During a meeting with the First Deputy Chairman of the Senate of Oliy Majlis the establishment of inter-parliamentary cooperation was deemed necessary to further strengthen bilateral ties. In another meeting with the Chairman of the Senate of the Oliy Majlis the prospects of using the institute of parliamentary control for the benefit of mutual cooperation were considered.

Source: [Dunyo](#); [Yuz.uz](#)

Prime Minister Abdulla Aripov attends Eurasian Intergovernmental Council meeting

During the Eurasian Intergovernmental Council that took place in Nur-Sultan, Kazakhstan, Abdulla Aripov announced Uzbekistan's intentions to join EAEU's climate, digitalization and logistics projects. The Prime Minister pointed out that a "roadmap" for Uzbekistan's integration into the EAEU has been prepared. He also noted that the restoration of land transportation, particularly the China-Kyrgyzstan-Uzbekistan railway construction project, is in line with EAEU's goal of linking its transportation network with the "One Belt One Road" initiative.

Source: [Kun.uz](#)

USAID Supports Legal Analysis of Strategic Reforms in Uzbekistan

The "Legal Support of Strategic Reforms: Final Analysis and New Challenges" conference, hosted by Uzbekistan's Ministry of Justice and supported by USAID, invited many public and private sector representatives. At the event, the National Action Strategy for 2017-2021 and the new strategy for 2022-2026 were analysed from a legal standpoint. The keynote speakers expressed support for Uzbekistan's legislative changes under these long term strategies.

Source: [US Embassy in Tashkent](#)

LEGISLATIVE CHANGES

UNESCO assisting Uzbekistan in developing its National Policy 2022-2030

Uzbekistan's draft policy in science, technology and innovation (STI) was reviewed by 270 stakeholders at a seminar. Uzbekistan's improvement in innovative performance was acknowledged. UNESCO believes that the STI policy will serve as an essential tool for Uzbekistan's ascension to a high middle-income country by 2030.

Source: [UNESCO](#)

Uzbekistan strengthens protection of Intellectual Property rights

A new amendment to the existing IP law has made penalties for IP rights violations 10 times more severe. Infringement of

The 14th meeting of the Intergovernmental Commission (IGC) between the Uzbekistan and Iran

Hosted by the Uzbekistan's Minister of Investments and Foreign Trade and Iran's Minister of Industry, Mine and Trade, the ICG, among many other subjects, heavily addressed transport and transit related issues. Both parties agreed to establish a joint subcommittee on transport and logistics, with the purpose of efficiently finding and implementing promising projects. At the end of the meeting a joint "roadmap" was signed.

Source: [UZA](#)

Uzbek PM receives new UN Resident Coordinator in Uzbekistan

Uzbekistan's Minister of Foreign Affairs, Abdulaziz Kamilov received the newly appointed UN Resident Coordinator in Uzbekistan, Roli Asthana.



Source: [UzReport](#)

Senate approves extension of zero VAT period for a number of food products

The amendment to the Tax Code has granted a number of imported food stuff products zero VAT until April 2022. Plans to maintain low prices after April include increasing the amount of cultivated land and supplying the harvests into the local market. Based on a statement from the Deputy Finance Minister, if zero VAT was to be extended in 2022 the country would lose 800 billion soums (over USD 73 million).

Source: [Kun.uz](#)

IP rights can issue a fine between USD 2,500 - 5,000. Also, legal entities do not need to be doing business in the country to register their IP and file complaints against violators. The new rules will take effect from May 2022.

Source: [Dentons](#)

The Commission of the Senate of the Oliy Majlis on cooperation with the National Assembly of the Republic of Korea was created

Following the President of Uzbekistan's visit to South Korea a new Presidential Decree "On measures to further deepen the special strategic partnership between the Republic of Uzbekistan and the Republic of Korea" was signed. To effectively control and monitor the implementation of projects between Uzbekistan and South Korea, a new commission was established.

Source: [UzDaily](#)

Two new ministries being created on the basis of Ministry of Tourism and Sports

The Ministry of Tourism and Sport has been transformed into the Ministry of Tourism and Cultural Heritage and the Ministry of Sports Development. Due to this, the Agency for Cultural Heritage under the Ministry of Tourism and Sport has been replaced.

Source: [Gazeta.uz](#)

Draft law "On external labor migration" adopted in 2nd reading by the Legislative Chamber of Oliy Majlis

The document establishes legal control over the leaving and returning workforce of Uzbekistan. The law covers not only Uzbek citizens, but also foreigners coming to work in Uzbekistan.

Source: [Parliament.gov.uz](#)

State Financial Control Inspectorate being established in Uzbekistan

Based on the presidential resolution "On further increasing the efficiency of the State Budget of the Republic of Uzbekistan and improving the activities of public financial control", digital solutions, such as the "Electronic Supervisor-Inspector", shall be used in monitoring and effectively managing the funds of budget organizations. The document also orders the establishment of the State Financial Control Inspectorate under the Ministry of Finance.

Source: [Kun.uz](#)

CHANGES IN AUTHORITY

- **Deputy Minister of Tourism and Sport**
Appointed - Shahrillo Mahmudov
Previously served as the First Deputy Chairman of the Weightlifting Federation of Uzbekistan
- **Deputy Minister of Tourism and Sport**
Appointed - Abdullo Aslonov
Previously served as a Member of the Committee on International Affairs and Inter-Parliamentary Relations of the Legislative Chamber of Oliy Majlis
- **Acting Director of Agency for Attracting Foreign Investments under the MIFT of the Republic of Uzbekistan**
Appointed - Ulugbek Kasimkhodjayev
Previously served as an Adviser to the Minister of Public Education on attracting investments and grants
- **Head of Fergana Regional Department of Internal Affairs**
Appointed - Mukhiddin Jurayev
Previously served as the First deputy head of the Tashkent city DIA

- **Prosecutor of Samarkand region**
Appointed - Jakhongir Khotamov
Previously served as the Prosecutor of Namangan region
- **Minister of Tourism and Cultural Heritage**
Appointed - Aziz Abduhakimov
Previously served as the Minister of Tourism and Sports
- **Minister of Sports Development**
Appointed - Adham Ikramov
Previously served as the Chairman of the Chamber of Commerce and Industry
- **Minister of Emergency Situations**
Appointed - Abdulla Kuldashev
Previously served as the First Deputy Minister for Emergency Situations
- **Minister of Makhalla**
Appointed - Tursinkhan Khudaibergenov
Previously served as the Minister of Emergency Situations

SHOLARLY AND MARKET PUBLICATIONS

Iran, Uzbekistan to draw roadmap for expanding economic ties

[Tehran Times](#)

Development Strategy Center - Development Strategy of New Uzbekistan for 2022-2026, English Translation

[EUROUZ Databank](#)

Development Strategy Center - Development Strategy of New Uzbekistan for 2022-2026, Collection

[EUROUZ Databank](#)



EUROUZ or Europe-Uzbekistan Association for Economic Cooperation is a new platform of cooperation between Europe & Uzbekistan, which has been created to assist the European business community in establishing and strengthening business, investment, and trade cooperation ties with Uzbekistan.

All organizations of any legal form registered within the EU Customs Union and European Free Trade Association countries or those who registered in Uzbekistan are all eligible to become members of EUROUZ. A special mechanism for cooperation is also established with international organizations.

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