Uzbekistan: economic potential and investment opportunities

February, 2019
Key Investment Highlights

Uzbekistan’s Strategic Trading Location
- Export industries are leveraging better exploitation of the country’s strategic Silk Road trading location
- Large scale infrastructure investment is increasingly linking Central Asia to Asia and Europe

Favourable Demographics, Young Population, Largest in Central Asia
- Uzbekistan is the most populous state in the region (32.7 million) and currently has the largest workforce (14.3 million)
- Policy is geared towards expanding education and channelling excess agricultural labour into industrial employment
- 65 higher education institutions and several international universities now being represented in Uzbekistan. Literacy rate close to 100%

Large Natural Resource Endowment
- Abundant and diversified natural resources (gas, gold, copper, uranium) provides a platform to drive rapid growth
- Massive potential for solar power – 320 days of sunshine annually
- Reform policies are stimulating diversification of the economy – automobile production already in place

Robust Growth, Strong Fiscal and External Accounts
- Economic growth is consistently above rest of world: 7.1% average vs. 2.8% world average (2013-2017)
- 15 years of budget surplus, low government debt (24% of GDP), fiscal rules for debt and budget are under discussion
- 13 consecutive years of current account surplus; foreign exchange reserves equal to 20 months of imports

Strong Commitment to Reforms and Transformation Strategy
- Government deeply committed to reforms, with significant accomplishments already achieved
- Ranking in World Bank’s “Ease of Doing Business” improved by 90 places between 2012 and 2018
- Wide ranging institutional, economic and social reforms guiding Uzbekistan, embodied in “Action Strategy 2017-2021”

Deep and Varied Support from International Development Partners
- Strong support from the IMF, World Bank and the Asian Development bank for advancing structural reforms
- Up to $1.8 bn of approved development policy financing loans
Uzbekistan’s Strategic Location

In the heart of Eurasia, the Republic benefits from access to markets with 3.3 billion people within 950 km.

**Area**
448,978 sq. km

**Population**
32.7 million

**GDP**
USD 47.7 billion*

**Capital**
Tashkent

**Urbanisation**
~50%

**Official currency**
“Soum” – UZS (UZS/USD = 8,271.27*)

**Languages**
Uzbek (official), Russian (commonly used), English (increasingly popular)

**Political system**
Presidential multi-party democratic republic

*Average USD/UZS rate for 2017 is 5,183. A USD/UZS rate of >8,000 reflects the full UZS 2017 devaluation.
Natural Resource Endowment

Mineral resources abundant and diverse

- **Gold**: 3rd (Reserves), 15th (Production), 2nd (Production rank in CIS)
- **Natural Gas**: 9th (Reserves), 16th (Production), 3rd (Production rank in CIS)
- **Copper**: 12th (Reserves), 19th (Production), 3rd (Production rank in CIS)
- **Uranium**: 11th (Reserves), 5th (Production), 2nd (Production rank in CIS)

As well as Oil, Zinc, Silver and Nickel

Diversification of energy sources

**Hydropower**
- Capacity: 1,839 MW
- Potential Output: 27.4 bn KWh
- Current investment project: Sustainable hydropower projects (c.USD2.5 mn)

**Solar**
- Capacity: 4 MW
- Potential Output: over 525 bn KWh
- Over 2,650 sunlight hours annually
- Current investment project: Production of solar panels (c.USD5 bn)

**Wind**
- Capacity: 0.75 MW
- Potential Output: 1 tm KWh
- Estimated potential capacity of wind power industry is more than 520K MW
- Current investment project: Wind power generation under construction (c.USD1 bn)

Source: IRENA, ADB, State Committee of Uzbekistan for geology and mineral resources, OECD, Central Bank, Ministry of Finance, Statistics Committee of Uzbekistan.
Young, Large Labour Force A Major Factor in Growth Potential

Uzbekistan is enacting reforms to more productively and positively take advantage of its main asset – its human capital.

Age structure of the population

<table>
<thead>
<tr>
<th>Thousands of people</th>
<th>Men</th>
<th>Women</th>
<th>Working-age population</th>
</tr>
</thead>
<tbody>
<tr>
<td>85+</td>
<td>32</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>80-84</td>
<td>36</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>75-79</td>
<td>48</td>
<td>98</td>
<td></td>
</tr>
<tr>
<td>70-74</td>
<td>59</td>
<td>121</td>
<td></td>
</tr>
<tr>
<td>65-69</td>
<td>117</td>
<td>193</td>
<td></td>
</tr>
<tr>
<td>60-64</td>
<td>237</td>
<td>271</td>
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</tr>
<tr>
<td>55-59</td>
<td>345</td>
<td>358</td>
<td></td>
</tr>
<tr>
<td>50-54</td>
<td>241</td>
<td>230</td>
<td></td>
</tr>
<tr>
<td>45-49</td>
<td>373</td>
<td>365</td>
<td></td>
</tr>
<tr>
<td>40-44</td>
<td>547</td>
<td>558</td>
<td></td>
</tr>
<tr>
<td>35-39</td>
<td>771</td>
<td>781</td>
<td>1,157</td>
</tr>
<tr>
<td>30-34</td>
<td>893</td>
<td>903</td>
<td>1,454</td>
</tr>
<tr>
<td>25-29</td>
<td>902</td>
<td>903</td>
<td>1,454</td>
</tr>
<tr>
<td>20-24</td>
<td>1,045</td>
<td>1,045</td>
<td>1,583</td>
</tr>
<tr>
<td>15-19</td>
<td>1,168</td>
<td>1,168</td>
<td>1,583</td>
</tr>
<tr>
<td>10-14</td>
<td>1,400</td>
<td>1,400</td>
<td>1,313</td>
</tr>
<tr>
<td>5-9</td>
<td>1,642</td>
<td>1,632</td>
<td>1,313</td>
</tr>
<tr>
<td>0-4</td>
<td>1,811</td>
<td>1,801</td>
<td>1,313</td>
</tr>
<tr>
<td>VS. 1990</td>
<td>1,426</td>
<td>1,400</td>
<td>1,358</td>
</tr>
</tbody>
</table>

Demographic dividend

* Most populous nation with the largest work force in Central Asia
* 90.6% of the population in 2017 is of working-age, 56.5% of population is under 30 years and 72% of the population is currently under 40
* The working age population is 9x larger than the pension age population
* The national poverty rate has fallen significantly (to 12.3%) and is approaching the OECD average (11.6%)

Workforce policies

* Policy is geared towards expanding education and channelling excess agricultural labour into industrial employment
* The government supports labour migration to other countries through initiatives such as signing intergovernmental agreements relating to migrant workers

Employment by sector as of 2017

<table>
<thead>
<tr>
<th>Thousands of people</th>
<th>Agriculture, forestry and fishery</th>
<th>Industrial production</th>
<th>Trade</th>
<th>Construction</th>
<th>Education</th>
<th>Transportation and storage</th>
<th>Health and social services</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,520</td>
<td>2,187</td>
<td>255</td>
<td>152</td>
<td>775</td>
<td>731</td>
<td>655</td>
<td>863</td>
</tr>
</tbody>
</table>

Dynamics of economically active population

<table>
<thead>
<tr>
<th>Thousands of people and as % of available workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>2013</td>
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<tr>
<td>2014</td>
</tr>
<tr>
<td>2015</td>
</tr>
<tr>
<td>2016</td>
</tr>
<tr>
<td>2017</td>
</tr>
</tbody>
</table>

Source: The Ministry of Employment and Labour Relations, State Committee of Statistics
President Mirziyoyev, Elected in 2016, Is Driving Reforms

Uzbekistan’s reform efforts, launched by President Mirziyoyev following his election in 2016, are broad and deep, touching every aspect of government, society, and the economy, with the aim of creating a market-based economy.

Key Areas of Reform

- Development of state governance
  - Administrative reforms
  - Adoption of anticorruption laws
  - Human rights priorities
  - Introduction of e-Government
  - Establishment of a Ministry of Innovation
- Rule of law and legal reforms
  - Transparency of and public involvement in regulations
  - Refinement of the judicial system
  - Enhancement of contract law
  - Empowerment of local deputies
- Development and liberalisation of the economy
  - FX and trade liberalisation
  - Priority to price stability
  - Price reforms and ending subsidies (energy, food, etc.)
  - Improved Investment climate
  - Agricultural reforms
  - Tax reform
  - Transparency of economic data
  - Innovation Strategy 2018-2021
- Development of the social sphere
  - Improved quality of education and health services
  - Increasing private and international role in higher education
  - Extending coverage and targeting of social services
  - Real income and employment growth
- Security, religious tolerance and interethic harmony, foreign policy
  - Protection of sovereignty and territorial integrity
  - Improved information security
  - Promoting interethic concord
  - Strengthening of the republic’s defense capability
  - Improved foreign policy base

2019 - 2021 Development Focus Areas

- Modernisation of the economy
- Technological development
- FDI promotion and investment climate
- Private property protection mechanisms
- Tax system reform
- Banking system and financial market development
- State-owned enterprise reform
Reforms Being Implemented, Progress Visible in Many Sectors

**State governance reforms**
- The Office of the President, the Cabinet of Ministers, and 20+ Ministries revised their structures, tasks and functions
- Better coordination between state bodies and local administrations; 46 government bodies reshaped or merged; 6 were abolished
- Adopted 50 resolutions based on the suggestions from the newly-introduced Impact of Legislative Acts’ Assessment System
- Virtual Presidential Reception reviewed over 2 million appeals by 24 August 2018

**Rule of law and legal reforms**
- Increasing transparency of political decision making
- Discussion of proposed normative acts (by-laws) via national portals
- Adopted the presidential decree on enhancement of normative (rule-setting) actions
- Directed legislative regulation stability provision

**Development and liberalisation of economy**
- Abolished surrender requirements and barriers on current account transactions
- Increase in foreign trade turnover stands at 46.9%*; import tariffs have been cut; a roadmap in place with key steps to join the WTO
- Monetary policy authorities will transition to inflation targeting
- **The country’s World Bank Ease of Doing Business ranking jumped from 166 (2012) to 76 (2018)**
- Reduction of administrative interference in the economy is promoting an equal playing field for businesses including tariff rises on gas and electricity (by 10.4% and 9.4% respectively) and measures taken to liberalise bread and flour price
- Increasing transparency and openness, improved data quality, joining IMF data distribution system (e-GDDS)
- Business Ombudsman Institution established
- Bread and flour prices increasingly liberalised, except for protections for vulnerable populations and against extreme volatility

**Development of social sphere**
- 55.8% of Budget expenditures in 2018 are spendings on social sphere: education (31.4%), healthcare (15.4%), other social (9%)
- A ministry for preschool education was founded; evening and distance learning were adopted
- The number of private clinics grew from 3,040 to 4,073 in the last year
- The labour migration agency confirmed 14 conventions, including the convention against child and forced labour
- The annual increase in jobs reached 350k – 450k; a new Tax Code lessens the tax burden on individuals; public salaries are indexed to CPI levels; the state as established self-employment support programmes; and established a national chamber of innovative health

**Security, religious tolerance & interethnic harmony, foreign policy**
- Approved the concept of administrative reforms
- The first-ever anti-corruption law was adopted; control over corruption in education was enhanced
- 19 laws and 900 other legal acts focused on the development of all spheres of public and social life were adopted
- The Centre for Strategic Development and Presidential Civil Society Advisory Council were established

*Source: Decree of the President dated 09/08/2017
*As of 1H2018
Uzbekistan Has Strong Ties with International Partners

Uzbekistan has built strong ties with foreign governments as well as with international financial institutions. Support comes in the form of long-term financing on concessional terms and extensive technical assistance.

Cooperation with international organisations

- **ADB (Asian Development Bank)**
  - Policy-Based Loans; Technical assistance in main sectors worth USD 7.9 bn
  - Development Policy Operations; 24 projects worth USD 3.4 bn
  - 68 projects worth EUR 1.3 bn; EUR 333 mn of support infrastructure
  - Regular Article IV Consultations
  - More than 70 mid-regional documents in human rights and 10 agreements are adopted

- **World Bank**
  - Provision of technical and advisory assistance to the Government of the Republic in addressing short- and medium-term priority objectives related to the socio-economic development of the country
  - Tourism development, construction and enhancing living standards. Negotiated 5 projects worth $0.6 bn

- **European Bank**
  - Cooperation on methodology for Balance of Payments
  - Cooperation on monetary policy and related instruments
  - Cooperation on stress-testing the banking system
  - Cooperation for joining GDDS
  - Cooperation for updating metadata

Increasing bilateral engagement

- In 2017-2018, Uzbekistan signed agreements with 15 countries with a total value of more than $50 bn
- Key joint projects are in the oil and gas, petrochemical, nuclear and metals industries
- Forms of participation in the projects: investments, loans, production sharing agreements and trade financing
Economic Growth Consistently Above the World Average

Uzbekistan’s economic growth has outpaced the world average in recent years despite internal and external shocks, and current reforms will build on a strong foundation.

Uzbekistan’s growth is among the highest of regional peers

Real GDP growth year-on-year (%)

- Armenia
- Azerbaijan
- Kazakhstan
- Russia
- Uzbekistan

- 8.0%
- 8.0%
- 7.9%
- 6.2%
- 5.2%

Recent currency liberalization caused devaluation but did not undermine consumers’ purchasing power

- Nominal GDP, UZS tn
- Nominal GDP, USD bn (RHS)
- GDP per capita at PPP, USD ‘000s

The soum was permitted to devalue in mid-2017 as part of market-oriented reforms.

Strong growth of the economy in 2008-2017

- The real GDP of Uzbekistan doubled in the period 2008-2017, with investments increasing at around 13% per annum
- Nominal GDP in USD terms decreased to USD32 bn in 2017 due to UZS liberalisation

Government policy and demographics will support growth

- The implementation of active investment policy, measures aimed at smoothing negative external effects, improvement of the tax system, and public finance regulation, as well as the country’s favourable demographic position, all will contribute to increasing the pace of economic expansion

The economy comprises diverse activity, lead by services

- Utilities 2%
- Mining 4%
- Construction 6%
- Net taxes on products 14%
- Manufacturing 17%
- Agriculture 17%
- Services 40%

Source: Central Bank of Uzbekistan, State Committee of Statistics, World Bank (for GDP growth data for regional peers)
Innovation and Investment

The government is prioritizing investment and innovation as key tenants of its new direction, creating opportunities for ‘catch-up’ growth as well as leap-frogging peers.

Innovation

- The government has implemented an Innovation Strategy, 2018-2021, key specific commitments of which are:
  - Establishment of a Ministry of Innovation
  - Development of special financing institutions to support innovation
  - Increasing state research and development funds to 0.8% of GDP by 2021
  - The government is further aware that fostering innovation will also entail making general improvements to the investment and business climate

Investment

- More than 60% of capital expenditures as of year-end 2017 were focused on new construction
- Structurally significant investment projects completed in 2017 include:
  - Electrification of the Karshi-Termez and Pap-Kokand-Andijan railway districts
  - Construction of a new 900mW thermal power station
  - Construction of a gas processing plant and support facilities at the Kandym cluster of producing fields

Institutional Development

- The Ministry of Finance in October 2018 established an agency for the development of Public-Private Partnerships (PPP), the functions of which are:
  - Participating in PPP program development
  - Facilitating dialog between the public and private sectors, including with international organizations
  - Preparing methodologies for assessing PPP program effectiveness
## Tax Policy and Reform

State tax reforms will lead to better revenue collection at the state and regional levels as well as a continued ability to balance the republic’s budget. The tax system is becoming simpler and more targeted to consumption.

### Tax reform in progress

- Development of a new tax code with assistance from the World Bank
- A new tax code draft is expected on December 1, 2018
- Current tax amendments and those in 2019 will have effect first in 2020

### Tax simplification

- Corporate income tax and taxes for social infrastructure improvement and development will be replaced with a single corporate income tax
- Mandatory allocations to the pension fund, republican road fund and education and healthcare institution development fund will be replaced by a single mandatory allocation to state funds

### Further reduction of the tax burden

- The tax rate for individual entrepreneurs lowered by 30% on average
- Income tax for commercial banks lowered by 100 bps and for other corporates (except for mobile operators) by 150 bps
- Mandatory allocations to state funds have decreased by 30 bps

### Reinforcement of local budgets’ income base

- Land tax and water resource usage taxes increased by 15% each
- Excise duties for several domestically produced products increased by 10-25%
- Establishment of the right for local governments to set multipliers (0.7x-1.3x) for base rates on individual property taxes and individual land taxes
- Individual property tax set to be based on cadastral value, with a maximum limit on total tax charge of 120% of the tax charge for 2017
- Taxes dependent on municipal efficiency applied to local budget balances (individual property tax, individual land tax, retail fees for certain goods and services, fixed taxes for certain commercial activities, taxes from retail markets)

### Perspectives reforms

- Unified tax-payer database
- Electronic invoice implementation
- Law enforcement reforms
- Enhancing oversight control of tax authorities

### State taxes – allocated between republican and local budgets

<table>
<thead>
<tr>
<th>Tax Category</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate income tax</td>
<td>7.5%+8% (pmt for social infrastructure development)</td>
<td>14%</td>
<td>12%</td>
</tr>
<tr>
<td>Single tax payment</td>
<td>5%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Personal income tax</td>
<td>From 0% to 23%</td>
<td>From 0% to 22.5%</td>
<td>Single flat rate 12%</td>
</tr>
<tr>
<td>VAT</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Excise duties</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
</tr>
<tr>
<td>Severance tax</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
</tr>
<tr>
<td>Fixed tax for certain commercial activities</td>
<td>5%</td>
<td>5%</td>
<td>Absolute amount</td>
</tr>
<tr>
<td>Water resource usage tax</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
</tr>
</tbody>
</table>

### Local taxes – allocated to local budgets

<table>
<thead>
<tr>
<th>Tax Category</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel consumption tax</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
</tr>
<tr>
<td>Corporate property tax</td>
<td>5.0%</td>
<td>5.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Corporate land tax</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
<td>Absolute amount</td>
</tr>
<tr>
<td>Single land tax</td>
<td>0.95%</td>
<td>0.95%</td>
<td>0.95%</td>
</tr>
</tbody>
</table>

### Taxes allocated to non-budgetary funds

<table>
<thead>
<tr>
<th>Tax Category</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social payments to pension funds</td>
<td>8%</td>
<td>8%</td>
<td>Abolished</td>
</tr>
<tr>
<td>Corporate payments to other funds</td>
<td>1.6%+1.4%+0.5%</td>
<td>single rate 3.2%</td>
<td>Abolished</td>
</tr>
<tr>
<td>Single social payment</td>
<td>25% (15% for small businesses)</td>
<td>25% (15% for small businesses)</td>
<td>25% for gov. enterprises/12%</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance, State Tax Committee
Attractive tax incentives and free economic zones

We welcome foreign capital with significant tax incentives…

- 0% income tax (for SMEs)
- 30%-50% income tax reduction
- 0% VAT

…and invite them to join one of the 21 Free Economic Zones to get full exemption from

- Income tax and custom duties
- Social infrastructure and uniform SME taxes
- Compulsory contributions to the Road Fund

Steady decrease of tax burden (in % to GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>1991</th>
<th>2000</th>
<th>05</th>
<th>10</th>
<th>15</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax</td>
<td>45%</td>
<td>38%</td>
<td>30%</td>
<td>23%</td>
<td>20%</td>
<td>19%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

Total implemented: 275 projects
Total amount: More than US$ 2 bil.
Strong External Balance Sheet

Balance of payments components
% of GDP

<table>
<thead>
<tr>
<th>Year</th>
<th>Trade balance</th>
<th>Secondary income</th>
<th>Primary income</th>
<th>Current account balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>0.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>0.7%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>3.6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1H2018</td>
<td>-6.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sizeable FX Reserves
USD bn

<table>
<thead>
<tr>
<th>Year</th>
<th>FX reserves</th>
<th>Monetary gold</th>
<th>SDR</th>
<th>Gold (XAU)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>22.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>24.2</td>
<td></td>
<td></td>
<td>8.4</td>
</tr>
<tr>
<td>2015</td>
<td>24.3</td>
<td></td>
<td></td>
<td>10.6</td>
</tr>
<tr>
<td>2016</td>
<td>26.5</td>
<td></td>
<td></td>
<td>12.3</td>
</tr>
<tr>
<td>2017</td>
<td>28.1</td>
<td></td>
<td></td>
<td>14.0</td>
</tr>
<tr>
<td>1H2018</td>
<td>27.6</td>
<td></td>
<td></td>
<td>13.8</td>
</tr>
</tbody>
</table>

Stable International investment position
USD bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Foreign assets</th>
<th>Foreign liabilities</th>
<th>Net international investment position</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>36.3</td>
<td>20.7</td>
<td>-15.6</td>
</tr>
<tr>
<td>2014</td>
<td>38.1</td>
<td>18.3</td>
<td>-19.7</td>
</tr>
<tr>
<td>2015</td>
<td>37.9</td>
<td>16.5</td>
<td>-21.4</td>
</tr>
<tr>
<td>2016</td>
<td>40.5</td>
<td>16.4</td>
<td>-24.1</td>
</tr>
<tr>
<td>2017</td>
<td>42.9</td>
<td>17.3</td>
<td>-25.6</td>
</tr>
<tr>
<td>1H2018</td>
<td>45.6</td>
<td>15.3</td>
<td>-30.3</td>
</tr>
</tbody>
</table>

Healthy and Adequate Foreign Exchange Reserves
% of GDP

<table>
<thead>
<tr>
<th>Country</th>
<th>FX Reserves % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uzbekistan</td>
<td>60%</td>
</tr>
<tr>
<td>Russia</td>
<td>70%</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>80%</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>60%</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>50%</td>
</tr>
<tr>
<td>Armenia</td>
<td>40%</td>
</tr>
</tbody>
</table>

Source: Central Bank of Uzbekistan
Uzbekistan proves sustainable growth of financial stability and transparency

Strong performance of Uzbekistan Eurobond sets a benchmark for corporate financing

5.35% yield

Of 10-year government eurobond issued in Feb 2019

Credit rating has been assigned by the most respectable agencies and rising

**Moody’s**

**B1** long-term issuer rating since February 2019

**Standard & Poor’s**

**BB-** with a stable outlook
First assigned credit rating
Uzbekistan’s Diverse Trading Relationships

Goods trade with main trading partners in 2017

China
Russia
Switzerland
Kazakhstan
South Korea
Turkey
Afghanistan
Germany
Other Countries

Structure of exports*
% of total, 2017

USD 13.8 bn

Gold 25.1%
Energy resources and products 11.6%
Food 9.2%
Metals 6.4%
Chemical products 6.2%
Textiles 4.5%
Machinery and equipment 2.3%
Services 24.4%
Others 10.2%

Structure of imports*
% of total, 2017

USD 14.7 bn

Energy resources and products 4.5%
Food products 7.9%
Metals 6.3%
Chemical products 12.0%
Machinery and equipment 28.9%
Services 23.6%
Others 16.9%

Source: Ministry of Finance, Central Bank of the Republic of Uzbekistan, State Committee of Statistics, State Customs Committee, IMF
Note: *Goods and Services
The international community acknowledges the recent significant progress in Uzbekistan

The first concrete steps on improvement of quality of economic data and increase of their transparency.
IMF Spokesperson

We are in a great hurry, we are striving to expand and deepen our presence in Uzbekistan as soon as possible.
Philip Bennet
Former First Vice-President of EBRD

ADB, in accordance with the government’s strategy, is planning to provide USD 2.6 billion in sovereign loans in 2017–2019, to increase non-sovereign transactions through equity investments and private loans.
Takehiko Nakao
The President of ADB

The Action Strategy, developed by the initiative of the President Shavkat Mirziyoyev, is a very serious and bright program, it reflects ideas of the United Nations and reforms aimed at ensuring human rights.
Zaid Raad Al-Hussein,
Un high commissioner for human rights

The World Bank is ready to significantly increase its presence in Uzbekistan and to support the reforms in the country
Kristalina Georgieva
World Bank CEO

The Action Strategy has much in common with the United Nations Sustainable Development Goals and the wider 2030 Agenda for Sustainable Development, and can form the basis for even greater cooperation between your country and the United Nations.
Antonio Guterres,
UN Secretary General

If you look back in history, you can see that Uzbekistan has always played a special role in Eurasia. While people in other parts of the region had a nomadic lifestyle, civilization was already flourishing in Uzbek cities.
Jonathan Hilman,
The Director of the Asia Liaison Project at the Center for Strategic & International Studies (USA)

Source: EBRD, State Committee of Uzbekistan for Investments
Success Stories