

# UZBEKISTAN – JULY 1-31, 2020

---

Uzbekistan – July 1-31, 2020.....	1
Top News of the period.....	2
Uzbekistan to double electricity exports by 2030.	2
Uzbekistan extends lockdown measures until August 15	2
<b>Politics and law and Finance.....</b>	<b>3</b>
Protecting Public health and economic stability are top priorities	3
Uzbekistan to accede to the UN Convention on the Privileges and Immunities	4
Uzbekistan-Kyrgyzstan-China railway project expected to be the most important corridor in Belt and Road Initiative	4
Uzbekistan to develop a methodology for calculating the rating of corruption for state bodies and enterprises	6
<b>Economy and Finance .....</b>	<b>7</b>
Uzbekistan’s GDP grows by 0.2% in January-June	9
The total volume of utilized foreign investments reaches US\$4.8 billion	9
The excise tax rates for the import of certain vehicles are canceled	10
<b>BUSINESS and Culture.....</b>	<b>10</b>
Uzbekistan for the first time included in the CIP Index	10
Uzbekistan increases car production despite pandemic	10
Uzbek-French company to grow cannabis for industrial purposes in Khorezm	11
Uzbekistan exported gold for \$2.1 billion in January-June	11
Namangan starts production of small Shangan trucks	12
Uzbekistan permits limited liability companies to issue bonds	12
EBRD published its forecast for Uzbekistan’s economy in 2020	13
Central Bank: Som depreciated by 7.2 percent since the beginning of the year	13
NASDAQ and NYSE to help modernize Uzbek stock market	14
Volume of remittances to Uzbekistan shows signs of recovery – Central Bank	14
Uzbekistan intends to attract some \$10 bn worth foreign investments by year-end	14
Entrepreneurs can now engage in mobile trade	15
Public catering companies to enjoy new benefits and preferences	15
Agricultural cluster invests \$8.8 million in land irrigation in Jizzakh region	16
BVMW opens a Representative Office in Uzbekistan	16
<b>Tourism and Culture .....</b>	<b>17</b>
New direction, new adventures, new sensations	17
Tashkent’s metro & women	17
A single electronic ticketing system was launched in test mode in Uzbekistan	18
Shooting of a feature film about Mahmudhoja Behbudiy ends in Bukhara	18
Aziz Shokhakimov appointed Director of Strasbourg Philharmonic Orchestra	19
Virtual master class on the national dance	19

## TOP NEWS OF THE PERIOD

---

### UZBEKISTAN TO DOUBLE ELECTRICITY EXPORTS BY 2030.

By 2030, Uzbekistan intends to strengthen integration with the power systems of neighboring countries, increasing the volume of imports and exports of electricity, Deputy Minister of Energy Sherzod Khodjayev said.

“Let’s not forget about integration with neighboring power systems. By 2030, we plan to double the import and export of electricity,” he said, speaking at a roundtable on reforms in the energy sector.

According to him, the intended plans are “not the limit”, as the indicators may raise under favorable circumstances.

Experts predict that by 2030, the need for electricity in Uzbekistan will double – up to 117 billion kWh. Without the introduction of new sources of generation, the existing deficit will amount to 48 billion kWh (the country’s current annual demand for electricity is 69 billion kWh.)

Kun.uz

### UZBEKISTAN EXTENDS LOCKDOWN MEASURES UNTIL AUGUST 15

The Special Republican Commission has decided to extend the quarantine restrictions imposed in Uzbekistan until August 15. During this period:

- a) state bodies and organizations should:
  - arrange for the remaining employees to go on leave or to work remotely (online) in the manner prescribed by law, taking into account the fact that in the case of enlistment, only the necessary specialists are allowed to be hired directly;
  - stop sending employees on business trips;
  - organize meetings remotely (online);
  - provide financial assistance to employees in case they contract the virus, taking into account the conditions of the employee for the purchase of necessary medicines and products for their treatment.

- b) citizens should:
  - restrain from holding weddings, family celebrations and other mass events;
  - not gather in public places, streets, squares and neighborhoods, maintain a strict social distance (2 meters), use medical masks and personal protective equipment;

The ban on the suspension of activities of the following facilities has been extended until August 15:

- amusement parks and gardens;
- commodity markets and large shops engaged in the sale of goods;
- gyms, fitness clubs, swimming pools;
- public catering facilities (restaurants, cafes, canteens, teahouses);
- preschool educational institutions, training courses and various circles;
- sanatoriums (except for sanatoriums where medical care is provided to patients treated for coronavirus infection and undergoing rehabilitation), boarding houses, children’s camps, hostels, guest houses, beaches and other recreation facilities;

barbershops and beauty salons.

The restrictions on traffic movement introduced earlier will be in force until August 15.

kun.uz

## POLITICS AND LAW AND FINANCE

---

### PROTECTING PUBLIC HEALTH AND ECONOMIC STABILITY ARE TOP PRIORITIES

At the beginning of this year, Uzbekistan and people set great goals for themselves. In March, the coronavirus, which had spread to the whole world, also spread in Uzbekistan, which changed plans. Protecting public health has become main priority for the state.

Special Republican Commission has been established. Medical facilities have been placed in emergency mode. A special hospital and quarantine zones were built in a short time. Sanatoriums and camps are adapted for special institutions. Necessary funds were allocated from the budget to provide medicines, protective equipment and diagnostics.

During these five months, the President has signed a number of decrees and resolutions related to countering the coronavirus. In accordance with them, the population, economic sectors and business entities receive all possible support.

The Head of the state keeps the epidemiological situation under constant control. Almost every meeting is dedicated to this issue. As is known, the situation with coronavirus in Tashkent and Tashkent region was previously comprehensively analyzed.

The situation in the regions and current measures were discussed at the meeting.

Chairman of the Council of Ministers of the Republic of Karakalpakstan and regional khokims reported on the incidence rates, the number of patients being treated and created reserve of beds. The situation with the response to requests from the population, emergency services work and drug provision was analyzed. Problems at places were openly discussed at the meeting. Measures were outlined to meet the needs of regions for equipment and means to combat the pandemic.

The President instructed responsible persons to monitor the situation in real time and promptly solve any problems that arise.

The importance of high-quality and safe organization of treatment, as well as prevention of disease transmission, providing population and institutions with disinfectants, was noted.

Based on the needs of each region, medicine supply sources, medical devices and test systems, as well as financial incentives for medical workers have been identified.

Heads of regions also reported on the results of their work on sustainable economic development in the context of pandemic, attracting investment and increasing exports in the first half of the year.

Measures taken to assess the impact of ongoing pandemic on the economy, ensure macroeconomic stability, timely implementation of investment projects, meet forecasts in agriculture, industry and construction, increase exports, comprehensive regional development and support for entrepreneurship were considered.

Noting the decline in revenue at enterprises in each region, the Head of the state instructed to restore the activities of most construction and industrial enterprises by October 1, 2020 and all enterprises by the end of the year.

Economic forecasts for agricultural sector also failed to be met in a number of regions. In particular, the volume of gross agricultural product in Karakalpakstan was 59 billion UZS lower than the forecast. This figure is 177 billion UZS in Kashkadarya region, 173 billion in Syrdarya region and 129 billion in Tashkent region.

ShavkatMirziyoyev gave instructions on filling gaps in the procurement of vegetables and melons through repeated areas, speeding up the distribution of poultry to households, extensive use of intensive technologies in animal husbandry and fishing, increasing agricultural production by 3-4 percent by the end of the year.

UzDaily – Uzdaily.com

## UZBEKISTAN TO ACCEDE TO THE UN CONVENTION ON THE PRIVILEGES AND IMMUNITIES

The draft presidential resolution “On accession to an international agreement” has been announced. According to the document, Uzbekistan accedes to the Convention on the Privileges and Immunities of the United Nations (New York, February 13, 1946).

The Ministry of Foreign Affairs is determined as the authorized body responsible for the implementation of this international agreement.

The Cabinet of Ministers and the heads of relevant ministries and departments shall ensure control over the implementation of the rights and obligations of the Republic of Uzbekistan after the entry into force of this international agreement for the country.

Monitoring the resolution’s execution will be entrusted to the Prime Minister Abdulla Aripov and Secretary of the Security Council under the President of Uzbekistan Vitaliy Makhmudov.

Kun.uz

## Uzbekistan-Kyrgyzstan-China railway project expected to be the most important corridor in Belt and Road Initiative

Transport Minister of Uzbekistan ElyorGaniyev, Transport and Roads Minister of Kyrgyzstan JanatBeishenov, Deputy Director of the Department for Foreign Capital and Overseas Investment at the NDRC of China Zheng Chiping, discussed measures for the implementation of the Uzbekistan-Kyrgyzstan-China railway project.

In particular, the parties discussed the proposed railway construction routes. Speaking to the participants of the online conference, ElyorGaniyev once again emphasized the importance of rail transport during the pandemic.

The intensification of lockdown measures has a major impact on national economies, particularly in the transport sector. Despite the difficult situation in countries, rail transport is now virtually unrestricted. This fact alone demonstrates the importance of the Uzbekistan-Kyrgyzstan-China railway project. This railway can become the most important transport corridor within the framework of the initiative “One Belt, One Road”, said Ganiyev.

The Minister of Transport and Roads of Kyrgyzstan noted that all three routes were the subject of SWOT analysis, on the basis of which the combined track “Torugart - Arpa - Kosh-Dobo - Makmal - Jalal-Abad” was considered as the best in terms of the formation/transportation of cargo and the further development of the regions of Kyrgyzstan.

The Chinese representative said that the construction of the railway along the route proposed by the Kyrgyz side is a good option from a financial perspective. However, since the experts did not reach a common conclusion on the width and route of the railway, he suggested reviewing other proposals.

Considering these aspects, the parties agreed to continue discussions on the most appropriate route for the construction of the railway, as well as on financial and economic issues, the investment model of the project for the future operation of the railway and the technical-economic justification.

Kun.uz

### Uzbekistan to adopt Artificial Intelligence development strategy

The draft presidential decree “On the Development of Artificial Intelligence Strategy in Uzbekistan in 2021-2022” has been placed on the portal for discussing draft normative-legal acts.

The document provides for the establishment of an online database in the State language for the acquisition of knowledge in the field of artificial intelligence which will be regularly updated with structured data.

It will contain the basic concepts of AI, the scope of AI, short free online courses in the State language, online platforms for sharing innovative ideas.

It is also planned to develop a concept for the planned improvement of the STEM education fields and research activities in the country until 2030.

The project also envisages the development of a draft decree of the Cabinet of Ministers on the establishment of the “National Center for Artificial Intelligence Research and Development” at the Scientific and Practical Center for the Introduction of Innovative Development under the MID.

Kun.uz

### Uzbek DFM holds talks with Director General of Belgian Foreign Ministry

Deputy Minister of Foreign Affairs of the Republic of Uzbekistan Sherzod Asadov held talks with the Director General for Bilateral Affairs at Belgian Federal Public Service for Foreign Affairs, Anick Van Calster, via videoconference, the Uzbek Foreign Ministry said in a statement.

The state and prospects of multifaceted and mutually beneficial cooperation between Uzbekistan and Belgium in political, trade-economic, investment, transport-communication, cultural-humanitarian and other spheres were discussed during the conversation.

The sides noted the need for intensifying political dialogue by organizing mutual visits at various levels. In this context, the Uzbek side expressed its readiness to hold the seventh round of political consultations between the ministries of foreign affairs of the two countries in Tashkent as the epidemiological situation improves.

The importance of paying special attention to trade-economic and investment cooperation was emphasized, assistance mechanisms for increasing the volume of bilateral trade were considered.

UzDaily – Uzdaily.com

### Uzbekistan to develop a methodology for calculating the rating of corruption for state bodies and enterprises

President Shavkat Mirziyoyev held a meeting to discuss ongoing activities to reduce the shadow economy.

At the meeting, it was instructed to develop a methodology for calculating the rating of corruption and shadow economy for state bodies, enterprises and regions. “Starting 2021, the results of this rating will be announced with an assessment of personal responsibility of all managers,” the presidential press service said.

In order to ensure transparency in these areas, strengthen public control and competition, the Ministry of Finance was instructed to launch an information portal for public procurement. Each project will undergo anti-corruption expertise. The task has been set to apply this procedure from 2021 to all projects implemented using centralized funds.

The head of state gave instructions on the development of roadmaps to combat corruption in the context of sectors and directions, to prevent corruption in the field of public procurement and investment projects.

Kun.uz

### “12-15% of the population in Uzbekistan are low-income”– Deputy Minister

According to Akmalxon Ortikov, First Deputy Minister of Economic Development and Poverty Reduction, preliminary estimates show that 12-15% of the population (4-5 million people) in Uzbekistan are low-income.

Informing about the measures taken to reduce poverty, the Deputy Minister noted that some people in Uzbekistan do not have sufficient sources of income and poverty has long been a “closed topic”. He also provided information on how the vulnerable part of the population is supported during the pandemic.

“Complex and regional programs have been developed to help the most vulnerable, and the responsibilities of ministers, khokims and sector leaders have been defined. But the pandemic is doing great damage in many areas, including for creating jobs and fighting poverty. In order to mitigate its

influence, a nationwide movement “SakhovatvaKumak” was launched. In accordance with the decisions of local councils of people’s deputies, more than 127.7 billion soums were spent during the quarantine period on large families in need of social protection, elderly people living alone and people with disabilities, as well as about 321,000 temporarily unemployed families who lost their source of income.

In May-June, working groups headed by heads of sectors in the regions took measures to create a source of income for about 233 thousand citizens. The government has developed a program to create a source of income for families in difficult social conditions in the context of the coronavirus pandemic. According to it, specific procedures and plans for targeted work with low-income families, taking them out of poverty have been specified,” the ministerial press service quoted Akmalkhon Ortikov as saying.

It was noted that in July-October this year, another 257,000 able-bodied people, who are in need of employment, will be provided with a source of income.

“To this end, the heads of 4 local sectors, jointly with the economic and investment complexes, construction companies, will take measures to ensure the employment of the population. Of course, there is a strict monitoring system for the implementation of these measures,” the official statement of the Ministry of Economic Development and Poverty Reduction reads.

Kun.uz

## ECONOMY AND FINANCE

---

### Uzbekistan to introduce electronic books of cargo transportation

In recent years, Uzbekistan has become a key driver in facilitating transit, stimulating trade in the region and beyond. This was stated by the Secretary General of the International Road Transport Union, Umberto de Pretto, during a video conference with the First Deputy Minister of Foreign Affairs of the Republic of Uzbekistan FarhodArziev.

At the meeting, it was noted that, despite the problems associated with the COVID-19 pandemic, for 6 months of this year, Uzbekistan increased the volume of use of goods transport books (TIR Carnet) by 32% compared to the same period last year. According to the results of 2019, the growth of this indicator was 46% compared to the previous year.

Pretto expressed his gratitude to the Government of Uzbekistan for supporting the digitalization of the international road transport system (eTIR) within the framework of the United Nations Economic Commission for Europe, including for its active participation in the adoption of Appendix 11 to the TIR Customs Convention of 1975 at the beginning of this year.

The Uzbek side reiterated its interest in deepening close cooperation with the IRU, expanding the geography of the republic’s participation in international transport corridors. It is noted that the creation of a paperless carrier for the transportation of goods will significantly simplify the work of both customs authorities and carriers, speed up and increase its security due to the availability of a reliable international electronic database that operates in real time.

Based on the results of the video conference, the participants outlined measures to minimize the negative consequences of the COVID-19 pandemic for the supply chains of goods and the implementation of eTIR pilot shipments.

Leading representatives of the IRU, the Ministry of Transport, the State Customs Committee and the Association of International Road Carriers of Uzbekistan also took part in the event with reports and presentations.

UzDaily – Uzdaily.com

## The fourth meeting of the Working Group on the accession of the Republic of Uzbekistan to the WTO takes place

On 7 July, the fourth meeting of the Working Group on the Republic of Uzbekistan's accession to the World Trade Organization was held in Geneva in the form of video conference, at which the Uzbek delegation was led by the Deputy Prime Minister and Minister of Investments and Foreign Trade of the Republic of Uzbekistan Sardor Umurzakov.

The event was organized on a special online platform in a "hybrid format" in which delegations of participating states participated directly in the headquarters of the Organization in Geneva, and other participants, including experts from the capitals of various states, through video conferencing.

The Chairman of the Working Party on the Accession of the Republic of Uzbekistan, the Permanent Representative of the Republic of Korea to the WTO, Ji-a-Pek, acquainted the participants with the steps that Uzbekistan had gone through in the process of accession and preparation of the necessary documents.

During the meeting, an extended report of the Uzbek side on the state and prospects of the socio-economic development of the Republic in the context of accession to the WTO was presented. It was emphasized that the resumption of this process is indicated in the Strategy for the Further Development of the Republic of Uzbekistan in 2017-2021 and is one of the key areas of development of the country's foreign economic activity, bearing in mind its integration into the multilateral trading system.

WTO Deputy Director General A. Wolfe noted that one of the priority areas of the Organization's Secretariat is to assist countries in their accession process, in connection with which he welcomed the decision of Uzbekistan to resume the process of accession to the WTO and, on behalf of the Organization's leadership, expressed readiness to provide all necessary support this initiative.

Also, statements on supporting Uzbekistan's accession to the WTO were made by representatives of several other countries, regional and thematic groups.

Within the framework of the meeting, a discussion of the expanded Memorandum on the regime of foreign trade of Uzbekistan was held, during which the measures taken by the country to ensure compliance of the regulation in the sphere of foreign trade with the norms and standards recognized by the WTO member countries were noted. A Q&A session on the sections of the Memorandum was also held.

It should be noted that in preparation for the 4th meeting of the Working Group on Uzbekistan's accession to the WTO, the Organization's Secretariat has provided a full package of necessary documents, including answers to more than 300 questions from member countries, checklists of illustrative questions on the use of technical barriers to trade, sanitary and phytosanitary measures, according to customs assessment, a questionnaire on the import licensing procedure, information on trade aspects of intellectual property rights, as well as a Plan to bring national legislation in line with the norms of WTO agreements.

During the event, a detailed discussion was held of the documents submitted by the country, according to which the corresponding clarification was given by the Negotiating Group on the Accession of the Republic of Uzbekistan to the WTO.

Following the meeting, agreements were reached on conducting bilateral negotiations on ensuring access to the market of goods and services from 20 to 31 July 2020, as well as on moving to the next stage of negotiations on accession to the WTO, namely, the preparation of a factual summary, which is the basis Report of the Working Group on the accession of Uzbekistan to the Organization.

At the end of the event, the Uzbek side expressed gratitude to the participants in the meeting for their interest and support for the initiative of Uzbekistan to join the WTO and expressed hope for further constructive cooperation in this direction.

UzDaily – Uzdaily.com

### Uzbekistan's GDP grows by 0.2% in January-June

The growth of the gross domestic product (GDP) of Uzbekistan made up 0.2% in January-June 2020 versus 6% in the same period of 2019. The State Statistics Committee of Uzbekistan reported.

Industrial production in Uzbekistan decreased by 1.9% in January-June 2020 against 4.8% in the first half of 2019.

The growth rates of the volume of services provided in the first half of 2020 amounted to 2.6% (in January-June 2019 - 12.7%), construction work - 7.3% (23.7%), retail turnover - 0.7% (6.4%) and agriculture, forestry and fisheries - 2.8% (2.4%).

In the reporting period, cargo turnover decreased by 6.6%, and passenger turnover - by 13.8%.

Uzbekistan's foreign trade turnover fell by 18.2% in January-June 2020, exports - by 22.6% and imports - 15%.

As of 1 July 2020, 462,017 enterprises and organizations are registered in Uzbekistan. The number of operating organizations was 433,868.

UzDaily – Uzdaily.com

### The total volume of utilized foreign investments reaches US\$4.8 billion

In the period from January to June 2020, the total volume of utilized foreign investment made up US\$4.8 billion, including foreign direct investment - US\$3.2 billion and foreign loans under a state guarantee - US\$1.6 billion.

At the same time, the volume of development of foreign direct investment in fixed assets reached US\$2.6 billion with a growth rate of 1.2 times compared to the same indicator of 2019. The share of utilized direct foreign investments in the total volume of investments increased to 29.5%.

In the reporting period, 494 projects were commissioned: 28 large industrial enterprises and 466 industrial facilities of regional significance.

Russia, China, Germany and Turkey became the leaders in attracting investment to the economy of Uzbekistan, and the total number of countries investing in the country's economy was 37.

According to the results of the period under review, the most attractive for investors were electrical engineering (growth - 13 times compared to the same period in 2019), production of building materials (growth - 3.6 times), ICT (growth 3.5 times). The food industry (growth by 1.5 times), the chemical industry (growth by 1.3 times) and the textile industry (growth by 1.6 times) also showed good growth dynamics.

At the same time, the upward trend in attracting foreign direct investment and loans to regional projects has strengthened, the total cost of which in the reporting period amounted to US\$2 billion, an increase of 1.05 times compared to the same period of 2019, with a target of US\$1.6 billion in fixed assets. At the same time, the volume of investment development within the framework of regional projects amounted to 62.3 percent of the total volume of utilized foreign direct investment.

The highest dynamics of growth of direct foreign investments in the first half of 2020 in the context of regions is observed in Namangan (1.6 times), Tashkent (1.6 times), Kashkadarya (1.5 times) and Syrdarya (1, 4 times) areas.

In general, by the end of 2020, it is planned to commission more than 2,000 social, infrastructural and industrial facilities: 206 new large production facilities, 240 production facilities of regional significance, as well as about 1,600 social and infrastructure facilities.

UzDaily – Uzdaily.com

### The excise tax rates for the import of certain vehicles are canceled

Effective from 1 August 2020, the current excise tax rates on the import of vehicles under the TN VED codes will be canceled:

- 8701 (tractors);
- 8702 (motor vehicles designed to carry 10 or more people);
- 8703 (passenger cars);
- 8704 (motor vehicles intended for the carriage of goods).

UzDaily – Uzdaily.com

## BUSINESS AND CULTURE

---

### Uzbekistan for the first time included in the CIP Index

Uzbekistan is included for the first time in the UNIDO Competitive Industrial Performance Index (CIP), the Ministry of Finance reports.

Uzbekistan ranked 92nd out of 152 countries whose industrial competitiveness is measured and compared by the CIP Index.

The results of each country reflect its performance in the three criteria of the CIP Index: (1) the capacity to produce and export manufactured goods; (2) technological deepening and modernization; and (3) the impact on the world market.

To ensure a differentiated presentation of competitiveness, the CIP report presents the results for different categories, depending on the stage of industrialization, geographical location and indicator.

kun.uz

### Uzbekistan increases car production despite pandemic

Uzbekistan produced 143,455 passenger cars in January-June 2020 – 23,450 cars more than in the same period last year, the State Statistics Committee reports.

In the first half of 2020, the automotive industry of Uzbekistan produced 35,050 Nexia (99,9% growth rate compared to the same period in 2019), 37,682 Cobalt (154,2% growth rate), 26,047 Gentra (133% growth rate), 26,687 Damas (115,8% growth rate), 14,511 Spark (160,4% growth rate) and 3,478 Labo (90.7% growth rate) cars.

For comparison, 75,635 passenger cars were produced in the first quarter of 2020 – almost 1.3 times more than in the same period of 2019.

Nevertheless, the productions of trucks and buses underwent a decrease of 25.4% and 49.1% respectively.

With the announcement of lockdown and the closure of production plants, the world's major car companies faced a sharp drop in sales. Most reported temporary suspension of their activities and staff cuts.

Some companies began to re-equip their factories for the production of medical equipment. For example, Ford, General Motors and Tesla have begun to produce masks and artificial lung ventilators. In May, specialists of the Research and Development Center at UzAuto also developed a prototype of the domestic artificial lung ventilation apparatus.

kun.uz

### Uzbek-French company to grow cannabis for industrial purposes in Khorezm

The Uzbek-French company ABM ORGANICS plans to launch a project for the cultivation of technical hemp, a variety of the Cannabis sativa plant species, in the Khorezm region of Uzbekistan, the Kazakh media Kursiv reported with reference to the Dunyo Uzbek news agency.

The signing ceremony of the constituent documents of this organisation was held in Paris, the main shareholders of which are the Uzbek company MarafonFinlex and the French company Opal & Co.

According to Uzbek agency Dunyo, this company will look for new growth points in the economy.

According to the news agency, the technical hemp industry in the future will become a priority for the green economy not only in France. This plant, in comparison with cotton, consumes five times less water and is a practically non-waste raw material.

Note that some varieties of cannabis are used in the pharmaceutical, light, paper and other industries.

The government of Uzbekistan previously decided for industrial purposes to grow cannabis with a drug content of tetrahydrocannabinol up to 0.2%. Growing such plants in Uzbekistan is a state monopoly.

NewEurope – neweurope.eu

### Uzbekistan exported gold for \$2.1 billion in January-June

In the first half of the year, Uzbekistan exported gold worth \$2.1 billion. This is evidenced by the State Statistics Committee data.

According to the committee, the increase compared to January-June 2019 was 101.4%. In H1 2020, the share of gold in exports amounted to 33.8%.

It should be noted that in recent years, Uzbekistan has increased gold exports. It exceeded \$823.9 million in 2015, \$738.2 million in 2016, \$1.6 billion in 2017, \$2.91 billion in 2018 and \$4.9 billion in 2019.

Earlier, Uzbekistan's gold export volume for January-May was announced.

Kun.uz

### Namangan starts production of small Shangan trucks

The project on production of small trucks under the Chinese brand Shangan has been launched in the Namangan Free Economic Zone, Chust district.

According to the regional administration, the production of small trucks of the Chinese brand Shangan is carried out within the project "Compatriots Abroad". Jobirkhon Homidov, a businessman from Namangan who has been living in Ajman, UAE for the past 10 years, has invested \$800,000, foreign investors – \$2 million and \$3 million came from bank loans, accumulating a total of \$5.8 million for the project.

In the first phase of the project, Namangan Shangan Motors LLC will produce 1,800 cars of 4 models with carrying capacity of 1-1.5 tons and employ 120 people. Over the next three years, it is planned to increase localization to 50% and export one-third of the products to the UAE and Central Asia.

According to the businessman, Uzbekistan needs up to 20,000 such cars of this type each year. If we take into account the near and far foreign markets, it will be possible to estimate the opportunities for further expansion of production.

The company is expected to begin production of the cars in the first quarter of 2021.

Kun.uz

### Uzbekistan permits limited liability companies to issue bonds

On July 22, 2020, the President signed the law on amendments and additions to certain legislative acts, which also provides for amendments to the Laws of the Republic of Uzbekistan "On the securities market", "On joint-stock companies and protection of shareholders' rights" and "On companies with limited and additional liability".

The adoption of this law significantly eased the requirements for issuing bonds and introduced new opportunities for limited liability companies to attract financing by issuing corporate bonds, as an alternative to bank loans.

Until now, only joint-stock companies and commercial banks could issue corporate bonds, within the limits of their capital, subject to three years of positive financial activity and rating. At the same time, the requirements for the issuer to issue bonds made this instrument an unattractive source of financing even for many joint-stock companies.

Despite the fact that corporate bonds are a convenient alternative to bank financing, such strict regulations significantly reduced the list of organizations that could turn to this instrument. This

circumstance became the reason for a sharp reduction in the number and volume of corporate bonds in circulation in recent years.

Kun.uz

### EBRD published its forecast for Uzbekistan's economy in 2020

The European Bank for Reconstruction and Development (EBRD) predicts that the economy of Uzbekistan in 2020 will grow by 1.5%, Spot writes with reference to the organization's Regional Economic Perspectives report.

According to this report, the economy will slow down due to the impact of measures to curb coronavirus and reduce exports.

The rapid expansion of private sector lending, which was observed before the crisis, can become a source of vulnerability if social distance measures are in effect for a long period of time. It will have negative consequences for the stability of the banking system.

Remittances from Russia, which account for about 8% of GDP, are expected to decline, and the tourism and hotel sectors are expected to be hit hard by coronavirus disruptions.

The report explains that, although China is the main market for exporting goods from Uzbekistan, it accounts for only about 14% of total exports, and the country's overall export structure is more diversified in terms of products and markets compared to other Central Asian countries.

The EBRD predicts a growth of the country's economy at 6.5% in 2021 amid recovery in exports and growth in domestic demand.

Earlier, the World Bank predicted economic growth in Uzbekistan at 1.6%, Fitch – 2%, Asian Development Bank – 4.7%.

Kun.uz

### Central Bank: Soum depreciated by 7.2 percent since the beginning of the year

The exchange rate of the Uzbek currency was determined by the fundamental factors of supply and demand on the domestic currency market, as well as by external factors.

During the first quarter, the national currency depreciated by 0.8 percent (from 9,501 to 9,577 soums per \$1). April saw a sharp devaluation – by 5.8 percent.

The April surge was attributed to an increase in the devaluation expectations of economic agents and the population due to the depreciation of the currencies of the main trading partners since the end of March, as well as supply and demand imbalances in the domestic currency market.

Kun.uz

## NASDAQ and NYSE to help modernize Uzbek stock market

The delegation of Uzbekistan in New York held talks with Deputy Chairman of NASDAQ, Meyer Frucher and Vice President of the platform Joel Kazis.

In honour of the Uzbek delegation, the main electronic scoreboard of the exchange displayed an inscription: "NASDAQ welcomes the Agency for the Development of the Capital Market of the Republic of Uzbekistan".

Representatives of the US stock exchange praised the ongoing reforms in Uzbekistan in support of the development of the capital market. The US stock exchange structures are closely watching the changes taking place in the country, the measures taken by the Government to support the stock markets and the banking financial sector. The increase in the share of private banks in the country received positive feedback in New York.

Representatives of the American stock exchange expressed their readiness to promote the introduction of smart technologies for monitoring and studying the state of stock markets, modernization of the technological potential of exchanges in Uzbekistan, as well as to provide advice on the entry of Uzbek companies into international securities markets.

Following the talks, a Memorandum of understanding was signed between the Republican Stock Exchange (RSE) "Toshkent" and NASDAQ.

UzReport.news

## Volume of remittances to Uzbekistan shows signs of recovery — Central Bank

The volume of cross-border money transfers to Uzbekistan between individuals has begun to recover after falling in March and April due to the COVID-19 pandemic, according to data from the Central Bank.

The volume of cross-border remittances received in the Republic amounted to \$2.4 billion – 6% down year-on-year.

The positive balance on cross-border transfers was established at \$2 billion, which is 5% less than in the same period last year.

The situation began to normalize only in April, as the country had started easing lockdown measures.

UzReport.news

## Uzbekistan intends to attract some \$10 bn worth foreign investments by year-end

President ShavkatMirziyoyev convened a meeting to review the implementation of priority projects and prospects for expanding trade, economic, investment, financial and technical cooperation with Japan, the Republic of Korea and the United Arab Emirates. The President paid particular attention to the timely implementation of existing projects and the current state of new investment proposals.

48 projects worth 5.6 billion dollars are being implemented in connection with Japanese companies in geology, chemistry and petrochemistry as well as the banking, financial sector, healthcare and education. Despite the pandemic, the bilateral government and business relations have intensified, via modern information technologies.

The Republic of Korea has also shown positive dynamics in business cooperation, reaching USD 1 billion of trade turnover. 60 new enterprises with the participation of Korean capital have been created, and their total number has totaled 855. Agriculture, innovation and ICT, chemical, pharmaceutical, light, electrical and jewelry industries are identified as promising areas.

The realization of the agreements between these two countries will create over 50 thousand new jobs, increase output by \$ 4.1 billion and export by \$ 1.14 billion.

As a result of the state visit to the UAE in 2019, a package of bilateral documents was signed in the trade, economic and investment spheres. The projects in the fields of energy, infrastructure, chemistry and petrochemistry, agriculture, tourism are underway. The prospective projects worth more than \$ 4 billion are being thoroughly studied; the total of 141 enterprises with the Emirate capital are in operation. For example, the Masdar company is investing in the construction of a 500 MW wind farm in the Navoi region; the total investment will amount to over \$ 500 million.

With the participation of the Abu Dhabi Development Fund, a joint investment company with a capital of \$ 1 billion has been founded. The company is involved in the modernization of the Samarkand city infrastructure. Mubadala, a state-owned investment company, is developing projects in the energy sector, as well as increasing production and deep processing of hydrocarbons.

UzReport.news

### Entrepreneurs can now engage in mobile trade

The maximum annual number of employees for public catering enterprises has been increased from 25 to 50 people, according to a recent presidential decree.

Until July 1, 2021, public catering enterprises have the right to place light structures on adjacent vacant land plots free of charge by notifying the administration, taking into account the temporary requirements for their placement, arrangement and operation established by the government.

Until July 1, 2021, business entities are granted the right to trade through car stands, auto shops, trailers, tankers and food trucks by notifying the state tax service without entering into a contract with local executive authorities.

The State Tax Committee will provide free acceptance of electronic notifications about the start of mobile trade through its official website and mobile applications.

Temporary requirements will be approved for the placement, arrangement and operation of light structures for catering or recreation of consumers at public catering enterprises.

UzReport.news

### Public catering companies to enjoy new benefits and preferences

Public catering companies of Uzbekistan enjoy new benefits and preferences, according to a new Decree signed by President ShavkatMirziyoyev.

According to the document, from July 1, 2020 to December 31, 2020:

- public catering companies and companies that specialize in providing premises for rent are exempt from paying turnover tax;

- individuals are exempt from paying tax on income received from leasing real estate;
- the procedure for applying minimum rental rates for individuals who lease a property (premises and motor transport) for tax purposes is suspended;
- landlords are recommended to reduce the rent fee in the current year, taking into account the tax benefits provided.

During the period from April 1, 2020 to December 31, 2020, public catering companies are exempt from paying the fee for the right to retail alcohol products.

The benefit for reducing the amount of deductions of wholesale alcohol companies from 5 to 3 percent is extended until December 31, 2020.

Catering companies are granted the right to sell alcoholic beverages with their delivery.

UzReport.news

### Agricultural cluster invests \$8.8 million in land irrigation in Jizzakh region

Innovative sprinklers of the American company Valley will start operating in Uzbekistan in September. The first batch of equipment worth \$8.8 million has already arrived in the country.

“The import of sprinklers from the US has been carried out as part of investment obligations set out in the Cabinet of Ministers’ Resolution “On measures to create an agro-industrial cluster of meat and dairy products in the Jizzakh region.”

The brand-new equipment set to increase land productivity by 30% and reduce the cost of animal diets by 25-30%, which would directly affect the price of meat and milk.

The new irrigation complex will cover 600 hectares of pastures this year. The cluster is also carrying out other works to improve the irrigation system in the Jizzakh region: the construction of a pumping station has entered the final stage, and an additional 6.2 km of the main pipeline has been laid.

“The bulls and cows in our agricultural cluster are free grazing, which means that they require extensive pastures with high-quality feed. We sow the land with pasture grass and compensate for the aridness of the Jizzakh climate with irrigation. An innovative feature of Valley technology is that it has remote control modules. Animals experience stress every time they come into contact with a human, so in our cluster, the operator will control watering from the office using a mobile device or computer,” said HikmatillaKarimov, Director of Jizzax organic.

In 2021, the company plans to install Valley sprinkler equipment on another 300 hectares of grazing land.

UzReport.news

### BVMW opens a Representative Office in Uzbekistan

The Embassy of Uzbekistan in Germany hosted a meeting with the CEO of the German Association for Small and Medium Businesses (BVMW), Markus Jerger.

Highly assessing the economic potential of Uzbekistan, the German side expressed interest in further developing contacts between representatives of small and medium-sized businesses of the two countries, as well as confirmed its readiness to provide assistance in promoting the export of Uzbekistan goods to European countries and attracting German investments in creation of new enterprises in Uzbekistan for production of goods with high added value.

According to Markus Jerger, over the past three years, impressive changes have taken place in Uzbekistan, the large-scale market reforms carried out have made the country attractive for German investors.

This, in turn, became a prerequisite for the decision taken by the leadership of the association to open a BVMW Representative Office in Tashkent, which began functioning in July 2020.

Such priority areas for Uzbekistan as production of building materials, chemical, pharmaceutical, textile, leather and footwear industries, agricultural processing, mining and processing of minerals, transport logistics, tourism and others were noted among the most promising areas of bilateral cooperation.

Following the negotiations, the parties agreed on a number of joint events, as well as reached an agreement on organizing a visit of a delegation of German business circles headed by the President of the Association, Mario Ohoven, to Uzbekistan in the fall of this year.

UzReport.news

## TOURISM AND CULTURE

---

### New direction, new adventures, new sensations

A tourist destination "OltinUchburchak" ("Golden Triangle") is being created in Surkhandarya region.

The destination offers to visit Termez, Muzrabat, Sherabad, Boysun, Altynsay, Denau, Jarkurgan and Shurchi districts, implemented jointly with the regional khokimiyat, the regional department of the State Committee for Tourism Development and other organizations.

Tourists will visit sacred places of worship, rich archaeological, cultural and other tourist destinations, try healing spring water in picturesque mountains and walk in the bosom of picturesque nature.

According to preliminary calculations, a project is expected to make a profit of \$985 thousand a year and create new jobs.

Uzbekistan National News Agency – uza.uz

### Tashkent's metro & women

Heavy equipment in construction is often called by female names - this is a tradition. And the technique involved in the creation of the metro has not been spared by this tradition.

Russian tunneling shields were called "Svetlana", "Victoria", "Nadezhda" or "Tatiana". And every time the shield completes its work and starts a new one, its name changes. New line - new name.

The Tashkent metro was build by the boards "Leila" and "Malika".

Now "Leila" is taking a rest - it has completed the laying of the stations "Shakhristan", "Turkestan" and "Yunusobod".

Originally "Leila" from Germany, she has come a long way to bite into the unstable Uzbek soil. Malika left with the Soviet era - although the engineers who worked with it had a hand in the new stations.

'Leila' hadn't slacked - the new stations were built on time.

Such a good fellow :)

[www.tourstouzbekistan.com](http://www.tourstouzbekistan.com)

## A single electronic ticketing system was launched in test mode in Uzbekistan

Uzbekistan's cultural institutions will begin selling tickets through the single electronic ticketing system (SETS) until the end of summer.

The Fund for the Development of Culture and Art under the Ministry of Culture of the Republic of Uzbekistan in a test mode will open access to the system for four cultural institutions of the country: the State Academic Bolshoi Theater of Uzbekistan named after Alisher Navoi, the Uzbek National Drama Theater, the State Musical Theater named after Mukimiy and the Bukhara State Museum-Reserve .

During the test period, employees of these institutions will be able to learn how to work in the system and begin using it. After the end of the test period, ticket sales will begin and all state theaters, museums and other subordinate organizations of the Ministry of Culture that sell tickets will be connected to the SETS. The test period will last until the end of the summer of 2020.

The main goal of introducing the system is to create a transparent environment in this area. The emergence of a regulator in this area will improve the competitive environment, lead to demonopolization of the market, complicate the activities of resellers and corrupt officials, and also potentially increase the profit of all interested parties due to the synergistic effect. The SETS will create significant obstacles to speculation and allow the viewer not to overpay for tickets to the most popular events.

At this stage, the introduction of blockchain technology has already begun. This will increase the transparency of ticket sales, as each event related to the sale of tickets will be recorded in a data chain protected by this technology.

The creation of the SETS will not limit the functioning of existing platforms for the online sale of cinema, theater, concert and sports events via the Internet, both from the service providers themselves and from third-party services (iticket.uz and myticket.uz). The created competitive environment will leave the right to choose a convenient and suitable service for the buyer himself.

UzDaily – Uzdaily.com

## Shooting of a feature film about Mahmudhoja Behbudiy ends in Bukhara

Uzbekkino shoots a feature film about the great historical figure, the founder of the Uzbek dramaturgy, MahmudhodjaBehbudiy.

The film is based on real events of that time and reflects the period from the end of the 19th century to the 20s of the 20th century. The artistic principle of the film is large episodes-memories through which the whole life path of MahmudhodjaBehbudiy can be traced. The film is full of events that have a real historical foundation - this is the defeat of the Kokand autonomy, and refugee flight, and military clashes.

In Bukhara, scenes of the last days of Behbudiy's imprisonment before his execution are filmed, episodes in Zindan. Also, the film was shot in Tashkent, Samarkand and other cities of Uzbekistan.

The authors and directors of the film are Bako Sadykov and Ulugbek Sadykov.

Behbudiy was a prominent representative of Jadidism, an enlightener, and one of the founders of national theatrical art. His activities laid the foundation for the development of culture, science and education in our region.

“This film is shot according to a special state order as a tribute to the acts of the Jadids and MahmudhodjaBehbudiy, who laid the foundation for enlightened Islam, showing the world its true essence. This is the color of our nation, and it is necessary to revive the memory of these people. Many Behbudiy monologues that sound in the film do not lose their relevance today,”said the director of the series Ulugbek Sadykov.

The historical drama about MahmudhodjaBehbudiy is dedicated to the 145th anniversary of the outstanding scientist - publicist, whose anniversary is widely celebrated this year.

UzDaily – Uzdaily.com

### [Aziz Shokhakov appointed Director of Strasbourg Philharmonic Orchestra](#)

Young and talented Uzbek conductor Aziz Shokhakov has been appointed Music and Artistic Director of Strasbourg Philharmonic Orchestra.

Strasbourg Philharmonic Orchestra was founded in 1855. It is one of the two permanent orchestras of the Opéra national du Rhin. In 1994, the orchestra acquired the official title of Orchestrephilharmonique de Strasbourg –orchestre national.

At the age of 32, Aziz Shokhakov has already developed his career as a conductor at a very high level. He was propelled to the forefront of the international scene aged 21, when he won the international Gustav Mahler Conducting Competition in Bamberg. He then went on to conduct renowned orchestras including SWR Sinfonieorchester, Elbphilharmonie Orchester, OrchestrePhilharmonique de Radio France and London Philharmonic Orchestra.

He has a special relationship with the Salzburg Festival since winning the prestigious Salzburg Festival Young Conductors Award in August 2016. Over the coming seasons, he will make his début with the Wiener Symphoniker, Luzern Sinfonieorchester and Seoul Philharmonic Orchestra.

Aziz Shokhakov is equally well-known for his operatic repertoire and since 2015 has held the position of Kapellmeister at Deutsche Oper am Rhein in Düsseldorf. He was also invited to conduct a new production at the Festival d’Aix-en-Provence.

Uzbekistan National News Agency – uza.uz

### [Virtual master class on the national dance](#)

The State Philharmonic Society of Uzbekistan has held the first virtual master class on the national dance “Lazgi”.

The project is aimed at preserving and promoting the national dance.

Last December, UNESCO Intergovernmental Committee for the Safeguarding of the Intangible Cultural Heritage inscribed Khorezm dance on the Representative List of the Intangible Cultural Heritage of Humanity. At the same time, Lazgi International Dance Festival is planned to be held in Khorezm starting 2022, traditionally every two years in the second half of September.

The first international virtual class was held with participation of leading masters of art, professional dancers of Lazgi ensemble at the State Philharmonic Society of Uzbekistan. It was attended by local and foreign art lovers. The State Philharmonic Society of Uzbekistan plans to hold this master class on a permanent basis.

Uzbekistan National News Agency – uza.uz