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The President of Uzbekistan approved the Government Program for 2021

On February 4, the President of the Republic of Uzbekistan approved the Government Program for 2021 (hereinafter – the “Program”). The Program provides for the implementation of projects for the total amount of UZS 29,5 trillion, USD 2,6 billion and EUR 57,3 million.

The following main areas and measures are included in the Program:

Business

The government decided to prolong the following measures until December 31, 2021 to support business entities after coronavirus pandemic.

- ▶ an extension of the period of payment of land and property tax for business entities working in the spheres of tourism, transport and public catering;
- ▶ a suspension of imposition of fines for land and property tax for business entities that experience temporary difficulties;
- ▶ a moratorium on conducting tax audits in relation to small businesses, who make all mandatory payments in a timely manner, with the phased introduction of risk analysis systems during tax audits to reduce the share of the “shadow economy”.

Energy market

- ▶ the customs duty on the import of liquefied gas, as well as the requirement to provide import documents for its import, has been abolished;
- ▶ the roadmap for the formation of a wholesale market for producers and importers must be developed through the introduction of market mechanisms to the process of providing natural gas and electricity until July 1;
- ▶ a special electronic system providing the ability to automatically generate expenses and income of farms and then send data to the tax service will be developed by July 1.

Customs control

The following changes in the customs procedures will be introduced from July 1:

- ▶ customs checkpoints with remote declaration control system will be tested and later implemented;
- ▶ all processes of customs clearance will be completed electronically;
- ▶ control of carrier’s registration, documental verification and receiving payments for provision of services will also be transferred to online systems.

Governmental management

During 2021, the number of employees in the field of public administration should be optimized to an average of 15%. By March

1, it is planned to develop a draft Presidential Decree, which includes provisions on:

- ▶ reduction and elimination of governmental bodies having duplicating functions;
- ▶ review of the work process by gradually transferring certain public functions to the private sector;
- ▶ reduction of mandatory licenses and documents and full automation of the process of their issuance;
- ▶ facilitating the decision-making system in the activities of ministries and governmental bodies;
- ▶ the launch of the ministries' work planning system;
- ▶ determining the number of employees and the amount of their wages in each individual region, taking into account all the specifics of this area;
- ▶ development and implementation of an effective system of training and professional development for field managers.

Transparency of financial information

Starting from May 1, all information on expenditures and revenues of extra-budgetary funds of State bodies, any purchases by legal entities with a State share of 50 percent or more in the authorized capital, as well as on State subsidies and grants, their amounts and recipients, must be published in the public domain.

Electronic anti-corruption

The Anti-Corruption Agency of Uzbekistan will put into operation an electronic system that provides for the creation of a register of relations subject to corruption, data collection and analysis of spheres and industries, and conducting surveys.

Reduction of bureaucracy

The Ministry of Justice of Uzbekistan was instructed to develop a draft Presidential Decree on the radical reduction of bureaucratic barriers as soon as possible, which, in particular, provides for:

- ▶ expanding the range of public services that will be available regardless of the place of registration of citizens;
- ▶ introduction of a single identification number that confirms the identity of citizens while providing social and public services;
- ▶ unification of the processes of State registration of legal entities;
- ▶ issuance of documents in electronic format;
- ▶ informing individuals and legal entities about the results of the completed public services through postal notifications.

Practice areas

PROJECT FINANCE & PUBLIC-PRIVATE PARTNERSHIP (PPP)

Locations

UZBEKISTAN