



## LAZIZ KUDRATOV

*Uzbekistan's investment climate has moved into a new phase. Sovereign ratings have improved, three flagship laws are advancing, and Tashkent is positioning itself as the regional investment capital. The architecture behind the reforms, and the figures behind the ambition, take shape across six fronts.*

### MINISTER

## INVESTMENT, INDUSTRY AND TRADE

**BIOGRAPHY** BORN IN TASHKENT IN 1981, HE PURSUED HIS ACADEMIC AMBITIONS AT TASHKENT STATE UNIVERSITY OF ORIENTAL STUDIES AND LATER AT HOSEI UNIVERSITY IN JAPAN. FROM 2003 TO 2010, HE CLIMBED THE RANKS AT THE MINISTRY OF FOREIGN ECONOMIC RELATIONS, INVESTMENTS AND TRADE, EVENTUALLY SERVING AS THE FIRST DEPUTY MINISTER. IN DECEMBER 2022, HE WAS ENTRUSTED WITH THE ROLE OF MINISTER,

### HOW IS UZBEKISTAN'S INVESTMENT CLIMATE BEING TRANSFORMED?

Uzbekistan's investment climate has undergone a measurable transformation. Fitch Ratings and S&P have both upgraded the country's sovereign credit rating from BB- to BB, while Moody's has revised its outlook from stable to positive.

At the Ministry of Investment, Industry and Trade, we are structuring the environment ahead of investor demand. Three flagship pieces of legislation are in advanced development: an Investment Code consolidating investor protections and dispute resolution into a single instrument, a Law on Alternative Investment Funds establishing the foundation for private equity and venture capital, and a revised Law on Special Economic Zones reoriented toward cluster-based, export-driven industrial development with provisions for private and foreign zone operators.

Alongside this legislative agenda, we are digitalising the full investment lifecycle. The [pmi.miit.uz](http://pmi.miit.uz) project monitoring platform is now operational. For the first time, investors can access every government service required at each stage of project implementation, from permitting to commissioning, through a single integrated interface. The Single Window module [invest.gov.uz](http://invest.gov.uz) organises all projects into six categories linked directly to the relevant government services.

### WHAT DID TIIF 2025 DELIVER, AND WHAT WILL 2026 BRING?

When we launched the Tashkent International Investment Forum in 2022, the ambition was to build a permanent annual institution between Uzbekistan and the global investment community. The 2025 Forum was the strongest in its history. Over 8,000 participants attended, including nearly 3,000 foreign delegates from 97 countries, 450 high-level representatives, and 312 government and institutional officials from Europe, Asia, the Middle East, and the Americas.

The business programme comprised 36 panel sessions, more than 150 international speakers, and over 500 B2B and B2G meetings. The headline outcome was 30.5 billion dollars in investment and trade agreements, with commitments from Saudi Arabia, China, the UAE, Türkiye, Germany, and France concentrated in energy transition, industrial diversification, and infrastructure.

The V Tashkent International Investment Forum is scheduled for 16 to 18 June 2026, with more than 3,000 foreign delegates expected from over 90 countries. TIIF 2026 will place particular emphasis on public-private partnerships, green and renewable energy, transport corridors, tourism, and services. Our objective is to establish Tashkent, conclusively, as the investment capital of Central Asia.

### WHAT IS THE FOREIGN INVESTORS' COUNCIL DELIVERING?

The Foreign Investors' Council, operating under the President of the Republic of Uzbekistan, converts investor dialogue into commitment. Following the third General Assembly in 2025, investor proposals were consolidated into a Road Map of 21 initiatives, formally adopted by Presidential Resolution. Eight thematic working groups were established, with Franklin Templeton, EY, Acwa, EDF, OTP Group, and the Asian Development Bank joining as expert co-leads alongside government counterparts.

At the fifth interim meeting in November, three new working groups were created in Circular Economy, Artificial Intelligence, and Creative Industries, bringing the total to eleven. The Council also endorsed a High-Skilled Technical Internship Fund, a National Open Online Learning Platform, a National Practice Portal, and the Regional Alliance of Investment Councils of Central Asia and the Caucasus.

The most visible results are in taxation. Under a landmark Tax Law adopted at the end of 2025, dividend taxation was harmonised through a tax credit mechanism for qualifying non-resident shareholders, intra-group financing was unblocked, and Uzbekistan began the transition from income-based to expenditure-based incentives through accelerated depreciation, consistent with OECD recommendations.

On capital markets, a comprehensive Capital Markets Law is in preparation, the Law on Alternative Investment Funds has been submitted to the Cabinet of Ministers, and the Central Bank is developing a framework for Islamic finance instruments, Green Sukuk, and Takaful. Energy and land reforms are advancing in parallel: a concession model for private participation in electricity distribution networks, supported by a ten-year grid master plan, and a uni-

fied land allocation procedure integrated into the National Land Resources Use Strategy. In 2026, the fourth General Assembly will convene alongside TIIF, with the signing of the founding memorandum of the Regional Alliance.

### WHERE IS FOREIGN INVESTMENT FLOWING WITHIN UZBEKISTAN?

Foreign investment inflows reached 13.4 billion dollars in the first quarter, with a year-end target of 53 billion dollars. The investment geography now covers more than 60 countries, with China, Germany, Türkiye, Saudi Arabia, and the UAE accounting for over 70 percent of volume.

Capital is concentrated in energy and oil and gas at 16 percent, agriculture at 11 percent, construction materials at 8.2 percent, textiles and garments at 8 percent, and mining at 6 percent. A further 12.2 billion dollars went to trade, hospitality, and services, 6.4 billion to housing and infrastructure, and 4.5 billion to agriculture.

Regionally significant projects attracted 9.7 billion dollars. Tashkent city drew 2.2 billion dollars, Namangan 1 billion, Fergana 954 million, Andijan 880 million, and Tashkent region 709 million. In Karakalpakstan, solar and wind power projects worth 4.5 billion dollars are under implementation.

*“OUR OBJECTIVE IS TO ESTABLISH TASHKENT, CONCLUSIVELY, AS THE INVESTMENT CAPITAL OF CENTRAL ASIA.”*

### HOW HAS COOPERATION WITH THE EUROPEAN UNION EVOLVED?

In 2025, Uzbekistan's trade turnover with EU countries reached 6.8 billion dollars, comprising 2 billion in exports and 4.7 billion in imports. The turning point came in 2021, when Uzbekistan secured GSP+ status. Exports to the EU have since grown almost fourfold, from around 400 million dollars to nearly 1.8 billion, supported by duty-free access for more than 6,200 product lines.

Growth has been broad-based. Mining exports exceeded 905 million dollars, almost eighteen times higher, marking Uzbekistan's growing role as a supplier of strategic resources to the EU. Chemicals expanded 438 percent to 153 million, petroleum and energy products rose 306 percent to 182.8 million, and electrical and industrial goods grew more than fivefold to 137.1 million. Today, 1,081 enterprises with European capital operate in Uzbekistan, including 405 joint ventures and 676 whol-

ly foreign-owned companies. Teamdress and Cottonella have invested in domestic production facilities, while The North Face, Urban Classics, H&M, Inditex, and Engelbert Strauss are expanding sourcing from Uzbek manufacturers.

In November 2025, Tashkent hosted the III Central Asia-EU Economic Forum and the Trans-Caspian Corridor and Connectivity Investors Forum, where nine agreements were signed. Uzbekistan is strengthening its certification infrastructure, attracting international laboratories, and developing traceability systems across value chains.

### WHAT MAKES UZBEKISTAN A COMPELLING DESTINATION FOR INVESTORS NOW?

Uzbekistan today stands at a deliberate inflection point. We have shifted how we measure investment success, from volume of capital absorbed to value added, export revenues, labor productivity, technological complexity, and sustainable employment.

The legal architecture is being built to international standards: an Investment Code, a Law on Alternative Investment Funds, a revised Law on Special Economic Zones, a framework for Green Sukuk and Takaful, and the introduction of modern M&A instruments including shareholder agreements, options, tag-along and drag-along mechanisms. The Tashkent International Financial Center is being developed as a platform for regional transactions, international arbitration, and the professional services institutional investors require.

The results are visible. In 2025, exports climbed to 33.8 billion dollars, a 24 percent increase. Services exports grew almost 29 percent to 9.76 billion. Tourism surpassed 11 million visitors and generated 4.8 billion dollars in services exports. Textile exports are on track for 4 billion dollars in 2026.

Priority sectors carry structural advantages: energy infrastructure and the green transition; high-value manufacturing in electrical engineering, electronics, chemicals, and advanced materials; agro-processing and food technology; and IT, artificial intelligence, and financial services. Within five years, our objective is for Uzbekistan to function as the financial and industrial hub of Central Asia, where capital meets de-risked projects, industrial clusters drive export-oriented production, and the regulatory environment is benchmarked against OECD standards.