



Uzbekistan Legal Newsletter

JANUARY 2025

In January 2025, some of the most important legal developments in Uzbekistan included the adoption of the Law "On Space Activities", presidential decisions on the development of the electro-technical, pharmaceutical, and textile industries, as well as the national transport and logistics system, and the issuance of regulations for maintaining the Register of Unscrupulous Contractors.

1. LAW ON SPACE ACTIVITIES

The Law "On Space Activities" was adopted on 13 January 2025. The Law outlines the regulations governing space research, the use of satellites for remote sensing, communication, and navigation, the operation of space rocket systems, as well as the labeling and disposal of space objects. The Space Research and Technology Agency under the Ministry of Digital Technologies ("Uzbekcosmos") is designated as the authorized state body overseeing space activities. It is envisaged under the Law that the Cabinet of Ministers will approve detailed regulations on space activities, including procedures for the disposal of space objects. Under the Law, Uzbekcosmos will designate a National Earth Remote Sensing Operator, who will be responsible for planning the acquisition, processing, storage, and distribution of Earth remote sensing data for scientific, socio-economic, environmental, informational, commercial, and national defense purposes.

[Law No. ZRU-1017 of 13 January 2025](#)

2. DEVELOPMENT OF PHARMACEUTICAL INDUSTRY

A Presidential Decree on the development of the pharmaceutical industry has been issued. It, among other things, provides the following:

- starting from April 1, 2025: (i) the maximum mark-up limitation (15% for wholesale and 20% for retail) will apply only to prescription medicines; (ii) when a producer manufactures medicines with the same composition under different brand names, the lowest reference price will apply to all these medicines unless there is a difference in the manufacturers of the active pharmaceutical ingredients; and (iii) the Center for Pharmaceutical Products Safety will automatically revise reference prices set in foreign currencies in response to currency fluctuations;
- within 1 month following the Decree, the Cabinet of Ministers will adopt a regulation for the full reimbursement of expenses incurred by local pharmaceutical enterprises for registering their medicines with the U.S. Food and Drug Administration (FDA) and the European Medicines Agency (EMA), as well as a 50% reimbursement for registration costs in other foreign countries;
- JSCB "Asakabank" will establish a venture fund with a capital of USD 10 mln for financing startups in biopharmaceuticals, cell technologies, and oncology;

- the Investment Fund for Prospective Projects in the Pharmaceutical Industry will be created under JSCB “Asakabank” with a capital of USD 100 million to participate in scientific and investment projects;
- the Ministry of Healthcare shall develop and submit to the Cabinet of Ministers draft regulations on: (i) granting permits for the export of donor blood plasma for the production of medicines and the export of medicines made from donor blood plasma (by March 1, 2025), and (ii) facilitating the production of biotechnological medicines based on cell technologies (by July 1, 2025);
- the State Institution “Pharm Service” will be established under the Agency for the Development of the Pharmaceutical Industry to provide marketing and consultancy services for implementing national and international standards, digitizing the industry, assisting enterprises with medicine registration, and supporting the design and construction of pharmaceutical facilities;
- by 1 July 2025, 5 model plantations of medicinal plants (as listed in [Annex 1](#) to the Decree) will be established with the involvement of entrepreneurs, with projects for processing these plants set to launch by the end of 2026;
- the Action Plan for Further Accelerating Reforms in the Pharmaceutical Industry and Ensuring the Provision of Quality Medicines ([Annex 3](#)).

[*Presidential Decree No. UP-13 of 28 January 2025*](#)

3. DEVELOPMENT OF TEXTILE INDUSTRY

The President has signed a Decree on improving the processing chain in the textile industry. The following is, among other things, envisaged by the Resolution:

- it is aimed that, in 2025-2027: (i) the export volume of textile goods will reach USD 4 bln in 2025, USD 5 bln in 2026, and USD 7 bln in 2027; (ii) the export volume of finished textile goods to the U.S. and European markets will reach USD 500 mln; (iii) the share of finished garment-knitwear products in total exports will reach 70% through the introduction of advanced technologies and modern design developments, and the involvement of international brands; (iv) USD 5 bln in foreign investments and loans will be attracted to develop deep yarn processing;
- within 1 month from the adoption of the Decree, the Ministry of Investments, Industry, and Trade, along with several other state institutions, shall submit a proposal to the Cabinet of Ministers for the establishment of a Special Textile Zone on 30 hectares in the Namangan region. Operating under a special regulatory regime, this zone will focus on the production of deep-processed finished garments and home textile products;
- the following measures for financing the industry:
 - in 2025, the Industry Support Fund will allocate USD 30 mln to commercial banks for financing equipment purchases for fabric, textile and finished garment-knitwear production projects;

- the Chamber of Commerce and Industry of Uzbekistan and the Association "Uztextileindustry" may participate in the projects above by contributing up to 25% of the SPV's authorized capital using resources from the Fund;
- a factoring organization with an authorized capital of UZS 10 bln (approx. USD 77 mln) will be established under JSC "Trade Development Company." The State Fund for Reconstruction and Development will allocate a USD 100 mln credit to the company to provide factoring and financial lease services to textile enterprises;
- the company will reimburse textile enterprises for expenses related to obtaining international certifications (e.g., "GOTS," "OEKO-TEX," "BCI," "BSCI," "Organic Cotton," "SEDEX").

[Presidential Decree No. UP-6 of 16 January 2025](#)

4. DEVELOPMENT OF ELECTRO-TECHNICAL INDUSTRY

The President has signed a Resolution on developing the electro-technical industry. The following is, among other things, provided in the Resolution:

- it is aimed that, in 2025-2027, (i) the export volume of high-value-added finished electro-technical products will reach USD 3 billion through the introduction of advanced technologies, and (ii) investment projects totalling USD 4 billion will be implemented in the industry;
- the Target Indicators for the Development of the Electrical-Technical Industry for 2025-2027 ([Annex 1](#));
- the Consolidated Parameters of Commissioning of Investment Projects to be Implemented in 2025 – 2027 ([Annex 2](#));
- within 3 years of the commissioning of high-tech production facilities, enterprises manufacturing high-tech products (as listed in [Annex 5](#)) will be exempt from corporate income tax on the sale of such products and from property tax on high-tech production facilities;
- sectoral enterprises may purchase publicly traded immovable property of state enterprises for the implementation of industry-related investment projects with payment on a 10-year instalment basis;
- the following measures for enhancing financing for the electro-technical industry:
 - in 2025-2027, enterprises within the Association "Uzeltechsanoat" will issue short-term and mid-term bonds on local capital markets; 2 enterprises will issue Eurobonds on international capital markets;
 - credit lines of USD 150 mln at JSCB "Uzsanoatqurilishbank" and USD 100 mln at other commercial banks will be opened;
 - in 2025-2026, the Fund for Industry Development will allocate USD 50 mln to commercial banks for financing projects and replenishing the working capital of sectoral enterprises;

- the Fund for Direct Investments will allocate USD 25 mln for high-tech production projects in the electro-technical industry;
- within 3 months from the date of the Resolution, JSC "Trade Development Company" will allocate a new credit line, "Eltechexport", to commercial banks for financing the export operations of sectoral enterprises.

[Presidential Resolution No. PP-20 of 22 January 2025](#)

5. IMPROVEMENT OF TRANSPORT AND LOGISTICS SYSTEM

The President has approved a Resolution aimed at improving the national transport and logistics system, which, among other things, includes the following measures:

- freight forwarding services under a freight forwarding contract for organizing international cargo transportation will be subject to a zero VAT rate (after introducing corresponding amendments to the Tax Code);
- within 1 month, measures will be taken to include special airport equipment and machinery (including passenger boarding stairs, towed passenger stairs, apron buses, ambulatory lifts, and aircraft servicing equipment) into the listed of imported equipment exempt from customs duties and VAT;
- within 1 month of the Resolution, JSC "Uzavtosanoat", the Ministry of Transport, and several other state bodies shall develop and submit to the Cabinet of Ministers a proposal to finance the procurement of heavy-duty vehicles, trailers, and semi-trailers from local manufacturers;
- starting from 1 June 2025, an electronic queue system will be introduced at road border crossing points for freight vehicles exiting Uzbekistan, with the Cabinet of Ministers determining the list of these locations;
- state-owned auto enterprises privatized through public auctions can be purchased with instalment payments over 5 years. If unsold for more than 6 months, their starting prices may be reduced by up to 30%;
- the Concept for the Development of the Transport and Logistics System of the Republic of Uzbekistan until 2030 ([Annex 1](#) to the Resolution);
- the Roadmap for the Implementation of the Concept in 2025 ([Annex 2](#));
- the Target Indicators for the Implementation of the Concept until 2030 ([Annex 3](#));
- the information on land plots envisaged to be auctioned for the creation of service areas and points along highways ([Annex 4](#)).

[Presidential Resolution No. PP-28 of 27 January 2025](#)

6. REGISTER OF UNSCRUPULOUS CONTRACTORS

Based on the Law “On Public Procurement”, the Minister of Economy and Finance has approved a Regulation on maintaining the Register of Unscrupulous Contractors. The regulation will come into force on 18 April 2025, and outlines the requirements and procedures for including contractors in the relevant Register. Contractors included in the Register are prohibited from participating in public procurement procedures for 2 years from the date of inclusion.

[Order of the Minister of Economy and Finance No. 3599 of 17 January 2025](#)

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