

# LAW OF THE REPUBLIC OF UZBEKISTAN ON THE USE OF RENEWABLE ENERGY SOURCES

Adopted by the Legislative Chamber on April 16, 2019

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## CHAPTER 1. GENERAL PROVISIONS

### Article 1. Purpose of this Law

The purpose of this Law is to regulate relations in the renewable energy sector.

### Article 2. Legislation on the use of renewable energy

Legislation on the use of renewable energy sources shall consist of this Law and other legislative acts. Where an international treaty of the Republic of Uzbekistan establishes other rules than those contained in the legislation of the Republic of Uzbekistan on the use of renewable energy sources, the rules of the international treaty shall be applied.

### Article 3. Basic Terms

The following basic concepts are applied in this Law:

**local grid** - independently functioning electrical, heat and/or gas network for transportation (transmission) and/or distribution of electrical, thermal energy or biogas;

**micro and small hydroelectric power plants** - dam - free hydroelectric power plants with an installed capacity of up to 0.2 MW and 30 MW, respectively, using the energy of the natural flow of water for the production of electricity;

**renewable energy sources** - energy of the sun, wind, earth heat (geothermal), natural flow of water, biomass, which are naturally restored in the environment;

**use of renewable energy sources** - activities related to research, development, survey, implementation, design, construction, installation and maintenance works, as well as the production of energy from renewable energy sources, its transportation, accumulation, sale and consumption;

**renewable energy producers** - legal entities or individuals engaged in energy production from renewable energy sources;

**renewable energy equipment** - a set of technological equipment, technological and/or component equipment for the production, acceptance, conversion, accumulation and/or transmission, as well as meters for the energy produced from renewable energy sources;

**renewable energy equipment manufacturers** - legal entities specializing in the production of renewable energy equipment.

## CHAPTER 2. REGULATION IN THE RENEWABLE ENERGY SECTOR

### Article 4. The foundations of state policy in the renewable energy sector

The main directions of the state policy in the field of the use of renewable energy sources are as follows: identification of priority areas and implementation of measures in the renewable energy sector; elaboration and implementation of state and other programs in the renewable energy sector; strengthening the country's energy security, diversification of the fuel and energy balance in terms of the production of electricity, heat and biogas using renewable energy sources; promotion of innovative technologies, scientific and technical developments in the field of renewable energy, energy efficiency, expansion and localization of production of renewable energy equipment; improvement of organizational and legal mechanisms for the involvement of business entities in the creation of generating capacity based on proven technologies for the use of renewable energy sources; state support and promotion of renewable energy producers, as well as renewable energy equipment manufacturers;

development of international cooperation in the field of renewable energy.

### Article 5. State administration in the renewable energy sector

State administration in the field of the use of renewable energy sources is carried out by the Cabinet of Ministers of the Republic of Uzbekistan, a specially authorized state body in the area of renewable energy sources, as well as local state authorities within their competences.

#### **Article 6. Powers of the Cabinet of Ministers of the Republic of Uzbekistan in the renewable energy sector**

Cabinet of Ministers of the Republic of Uzbekistan has the following powers: ensures the implementation of a unified state policy in the renewable energy sector; approves state programs in the renewable energy sector; creates conditions for the development of fundamental, applied, innovative research, as well as the promotion of scientific and technological achievements in the area of renewable energy; coordinates international cooperation in the area of renewable energy.

The Cabinet of Ministers of the Republic of Uzbekistan, within the limits of its authority adopts legislation in the renewable energy sector, which establish the following: regulations for connecting to a single electricity grid of business entities that produce electricity; the procedure for state support of renewable energy producers, as well as renewable energy equipment manufacturers; pricing and tariff policies that stimulate the formation of a favorable competitive and business environment in the market of renewable energy; the procedure for maintenance of the state registration of renewable energy resources.

#### **Article 7. Authorized state body in the renewable energy sector**

The authorized state body in the renewable energy sector is the Ministry of Energy of the Republic of Uzbekistan (hereinafter - the Authorized State Body).

The Authorized State Body exercises the following functions: implements a unified state policy in the renewable energy sector; elaborates and implements state and other programs in the renewable energy sector; coordinates activities of state and economic management bodies in the area of renewable energy; develops and approves, within its authority, technical regulations, norms and rules in the renewable energy sector; monitors the implementation of state and other programs in the renewable energy sector; makes proposals to the Cabinet of Ministers of the Republic of Uzbekistan on state support of renewable energy producers, as well as renewable energy equipment manufacturers with regard to price and tariff policy in the renewable energy market; maintains state records of renewable energy resources, energy produced from renewable energy sources and renewable energy equipment; promotes the introduction of innovative technologies, scientific and technical developments in the renewable energy sector; takes measures to increase the investment attractiveness of renewable energy sector through the development of public-private partnerships, improving pricing and tariff policies that stimulate the formation of a favorable competitive and business environment in the market of renewable energy; develops measures to stimulate the introduction of advanced resource and energy – saving technologies in the field of renewable energy in the industrial and residential sectors; organizes training, retraining and staff development in the renewable energy sector; carries out international cooperation in the field of renewable energy.

#### **Article 8. Powers of local state authorities in the renewable energy sector**

Local state bodies shall execute the following functions: participate in the development and implementation of government and other programs in the renewable energy sector; develop, approve and implement territorial programs in the renewable energy sector;

promote the creation and implementation of modern energy efficient , energy saving and innovative technologies in the renewable energy sector, the organization of production of renewable energy equipment;  
interact with renewable energy producers and renewable energy equipment manufacturers;  
make decisions on the provision of land plots for renewable energy equipment.

#### **Article 9. Scientific, technical and innovation inputs for renewable energy**

State and economic management bodies in cooperation with the Academy of Sciences of the Republic of Uzbekistan, provide scientific, technical and innovative input for the production of renewable energy equipment and the use of renewable energy sources.

#### **Article 10. Participation of citizens' self-government bodies, non-governmental non-commercial organizations and citizens in the events promoting the use of renewable energy sources**

Citizens' self-governing bodies, non-governmental non-commercial organizations and citizens shall have the following rights:  
participate in the development and implementation of state and other renewable energy programs;  
assist in the implementation of activities on the use of renewable energy sources;  
engage in public monitoring of the use of renewable energy sources.

#### **Article 11. Rights of renewable energy producers and renewable energy equipment manufacturers**

Renewable energy producers and renewable energy equipment manufacturers within the limits of their authority, shall have the following rights:  
to participate in the development and implementation of state and other renewable energy programs;  
enjoy tax, customs and other benefits and preferences in the use of renewable energy sources;  
create a local grid (electrical, thermal and/or gas);  
enter into agreements with legal entities and individuals for the sale of electric, thermal energy and/or biogas produced from renewable energy sources supplied through a local grid (electric, thermal and/or gas).

#### **Article 12. Responsibilities of renewable energy producers and renewable energy equipment manufacturers**

Renewable energy producers and renewable energy equipment manufacturers are obliged to:  
comply with legislation on the use of renewable energy sources;  
comply with technical regulations, rules and regulations in the field of the use of renewable energy sources in the production of renewable energy and renewable energy equipment;  
keep separate records of renewable energy produced.

### **CHAPTER 3. STATE SUPPORT AND PROMOTION OF RENEWABLE ENERGY SOURCES**

#### **Article 13. State support of the renewable energy sector**

In order to create favorable conditions for renewable energy producers, renewable energy equipment manufacturers, as well as for those carrying out investment and research activities in the renewable energy sector, the following state support is provided:  
provision of tax, customs and other benefits and preferences in the renewable energy sector;  
promotion of the creation and application of innovative technologies in the use of renewable energy sources;  
provision of guaranteed connection of renewable energy equipment to the single power grid;  
granting the right to enterprises of territorial power grids in coordination with the single purchaser of electricity and local state bodies to enter into the contracts for the purchase of electricity with renewable energy producers.

Legal entities and individuals may be granted tax and customs duty exemptions when importing renewable

energy equipment, the use of which significantly increases the efficiency of the use of renewable energy sources.

#### **Article 14. Benefits and preferences in the renewable energy sector**

Renewable energy producers are exempt from property tax on renewable energy equipment and land tax on the sites occupied by this equipment (with a nominal capacity of 0.1 MW or more) for a period of ten years from the date of its commissioning.

Renewable energy equipment manufacturers are exempt from all types of taxes for a period of five years from the date of their state registration.

Tax on the property of individuals is not levied on property owned by persons using renewable energy sources in residential premises with a complete disconnection from existing power grids, for a period of three years starting from the month when the use of renewable energy sources began.

Individuals using renewable energy sources in residential premises with full disconnection from existing power grids are exempt from land tax for a period of three years starting from the month when the use of renewable energy sources began.

The benefits specified in parts three and four of this article are provided on the basis of a certificate on the use of renewable energy sources issued by the energy supplying organization conditional on a complete disconnection from the existing power grids.

### **CHAPTER 4. SPECIAL ASPECTS OF THE USE OF RENEWABLE ENERGY**

#### **Article 15. Features of using renewable energy sources in the production of electricity**

In the production of electricity from renewable energy sources for personal needs, obtaining permits is not required.

Renewable energy producers are allowed to be connected to a single power grid on a block-station basis, as well as on a competitive basis with an indication of the marginal cost of the generated electricity. A block station is an electric power station of consumers connected directly or through their electric networks to a single power grid and included in the system of operation dispatch control.

The costs required for the reconstruction and/or expansion of existing power grids associated with the connection of renewable energy equipment shall be borne by the owner of such grids and up to the point of connection to the single power grid— by the renewable energy producer.

Renewable energy producers are prohibited from unauthorized connection of renewable energy equipment to a single power grid.

The construction of a local power grid and the connection of renewable energy equipment to it are carried out at the expense of the renewable energy producer.

Connection of consumers of electricity to the local power grid of renewable energy producers is carried out on the terms of a contract.

#### **Article 16. Features of using renewable energy sources in the production of thermal energy**

In the production of heat from renewable energy sources for personal needs obtaining permits is not required.

It is prohibited for producers of thermal energy from renewable energy sources to connect renewable energy equipment to territorial and main heating grids.

The construction of a local thermal grid and the connection of renewable energy equipment to it are carried out at the expense of the producer of thermal energy from renewable energy sources.

Connection of heat energy consumers to the local heat grid of heat energy producers from renewable energy sources is carried out on the terms of a contract.

### **Section 17. Features of using renewable energy sources in the production of biogas**

Biogas is produced from biomass consisting of biodegradable products, waste and residues of plant and animal origin, industrial and municipal waste.

In the production of biogas from biomass for personal needs obtaining permits is not required.

Biogas producers from biomass are prohibited from connecting renewable energy equipment to territorial and main gas grids.

The construction of a local gas grid and the connection of renewable energy equipment to it are carried out at the expense of the manufacturer of biogas from biomass.

Connection of biogas consumers to the local gas grid of biogas producers from biomass is carried out on the terms of a contract.

## **CHAPTER 5. STATE RECORDING, TARIFFS FOR ELECTRIC ENERGY IN THE RENEWABLE ENERGY SECTOR**

### **Article 18. State recording of renewable energy resources**

The Authorized State Body carries out state recording of renewable energy sources in the territory of the Republic of Uzbekistan to solve the energy and socio-economic problems of the population, primarily for areas remote from centralized energy supply systems.

The procedure for state recording of renewable energy sources is determined by the Cabinet of Ministers of the Republic of Uzbekistan.

### **Article 19. State recording of renewable energy and renewable energy equipment**

The state recording of renewable energy and renewable energy equipment shall be carried out by the Authorized State Body.

All renewable energy produced and consumed is subject to mandatory recording. The state recording of renewable energy and renewable energy equipment is carried out in order to:

ensure the accuracy and reliability of the accounting records of the renewable energy produced and consumed and the number of units of renewable energy equipment;  
renewable energy potential and efficiency assessments;  
inform interested parties about the prospects of using renewable energy sources and attracting investments.

The state recording of renewable energy and renewable energy equipment shall contain data on the sites of actual and possible placement of renewable energy equipment, as well as renewable energy producers, renewable energy sources used, the capacity of renewable energy equipment.

### **Article 20. Tariffs for electricity generated from renewable energy sources**

Tariffs for electricity generated from renewable energy sources shall be determined on the basis of competitive bidding.

When forming tariffs for electricity for final consumers, entire expenditure incurred on the procurement of electricity from all sources of production, including renewable energy sources, shall be considered.

## **CHAPTER 6. TECHNICAL REGULATION, STANDARDIZATION AND CONFORMITY ASSESSMENT IN THE RENEWABLE ENERGY SECTOR**

**Article 21. Technical regulation, standardization and conformity assessment in the renewable energy sector**

Technical regulation, standardization and conformity assessment in the renewable energy sector shall be carried out in the manner prescribed by law. Renewable energy and renewable energy equipment, with the exception of those used for personal needs, are subject to certification.

**Article 22. Renewable energy requirements**

Activities in the renewable energy sector shall be carried out in compliance with technical regulations, norms and rules in this field, environmental, sanitary, town-planning norms and rules, and requirements for safe operation.

**Article 23. Access to information**

Legal acts, technical regulations, norms and rules in the renewable energy sector, as well as information on innovative ideas, developments and technologies for the use of renewable energy sources shall be published in the media and on the official website of the Authorized State Body.

**CHAPTER 7. FINAL PROVISIONS**

**Section 24. Settlement of disputes**

Disputes arising in the renewable energy sector shall be settled in accordance with the legislation.

**Article 25. Liability for violating the legislation on the use of renewable energy sources**

Persons responsible for violations of the law on the use of renewable energy sources shall be liable in accordance with the procedure established by legislation.

**Article 26. Enforcement, dissemination, clarification of the essence and meaning of this Law**

The Cabinet of Ministers of the Republic of Uzbekistan and other interested organizations shall ensure the execution, communication to the performers and explanation among the population of the essence and meaning of this Law.

**Article 27. Adaption of legislation into compliance with this Law**

The Cabinet of Ministers of the Republic of Uzbekistan shall:

adapt government decisions in compliance with this Law;  
accommodate revision and revocation by government bodies of their legal acts contradicting this Law.

**Article 28. Entry into force**

This Law shall enter into force on the date of its official publication.

**The President of the  
Republic of Uzbekistan**

**Sh. Mirziyoev**

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