



## EMBASSY OF THE REPUBLIC OF UZBEKISTAN IN JAPAN



### INFORMATION BULLETIN

#### **World Bank says Uzbekistan's economic outlook remains positive**

World Bank released Economic Update for Europe and Central Asia. According to this report, Uzbekistan's economic outlook remains positive, with growth projected at 5.3 percent in 2019 and around 6 percent by 2021.



"Market reforms are expected to address production bottlenecks and liberalize high-potential growth sectors of the (Uzbek) economy, such as horticulture, tourism, food processing, textile, and chemicals," the report said.

"These will be supported by a significant reduction in 2019 of the business tax burden," it said.

Steady economic growth and remittance income are expected to contribute to a modest pace of poverty reduction, the report said, adding that the changes in government policies may further expand support programs to the poor and vulnerable households and reduce poverty.

#### **New control system to secure timely and effective realization of foreign investments**

President of the Republic of Uzbekistan Shavkat Mirziyoyev chaired a videoconference session on April 8 to scrutinize the implementation – in the first quarter of this year – of projects involving foreign direct investments and international financial institutions, as well as the tasks for the first half of the year.

According to the 2019 Investment Program, capital investments in the amount of almost 14 billion US dollars are set to be realized for more than 3.2 thousand projects. In particular, it is envisaged to consume over 4 billion dollars of foreign direct investments.

The meeting participants analyzed these investment projects in the context of industries and regions. Reports of managers of sectors on the activities undertaken were heard. Challenging aspects of projects that are lagging behind in implementation were discussed.

The Head of the state proposed to



introduce a new control system to ensure the timely realization of investments. In accordance with it, all projects involving foreign direct investment would be divided into four lists to be monitored separately.

The first directory will include 27 strategic projects designed to be implemented in the current year for 3.6 billion dollars of foreign investment. Their realization will be under the constant control of the President.

The second catalog is to contain 65 major projects totaling 1.3 billion dollars, and their execution will be under Prime Minister's control.

The third register, to be monitored by Deputy Prime Ministers, would include 65 projects envisaging the disbursement of 407 million dollars of foreign investment.

Heads of central government agencies assigned to corresponding regions along with khokims are assigned with taking control over the execution of projects in the fourth listing.

Regular discussion of the execution of investment projects and prompt resolution of emerging issues will be organized.

The President drew attention to the availability of untapped opportunities for attracting foreign direct investments and cooperating with international financial institutions. The Head of the state noted the need for developing new investment projects in industries and regions.

### **Foreign trade turnover increases**

In January – February 2019, Uzbekistan had trade relations with more than 140 countries.

In particular, the foreign trade turnover of the country in January – February 2019 amounted to 6 392.8 million US dollars. It increased by 1,293.3 million US dollars, or 25.4% more than the corresponding period of the last year. Of this number, exports reached 3,036.8 million US dollars, (growth rate of 20.4 percent) and imports 3,356.0 million US dollars (growth rate – 30.3%). The foreign trade balance was minus 319.2 million US dollars.

According to the State Statistics Committee, as a result of measures taken by the government to strengthen cooperation with the CIS countries and comprehensive support for foreign trade, the share of mutual trade with the CIS member states in the foreign trade turnover of Uzbekistan in January – February 2019 reached 31.4% (2006.1 million US dollars). The growth rate of foreign trade turnover, compared with the previous year, amounted to 113.4%.



### **Bukhara region to turn into a “Tourist Crossroads”**

Bukhara region boasts immense tourism potential. Given this advantage, the flow of foreign tourists is to double by 2021 and raise revenue from tourist services in the amount of 350 million US dollars.

President Shavkat Mirziyoyev, at the meeting underway in Bukhara region, raised this issue in particular and outlined corresponding objectives. The head of our state stressed the need to build modern hotels and improve the tourist infrastructure in general.

This year, the hotels Bukhoro Palace, Varakhsha and Zarafshon in the city of

Bukhara will be reconstructed, 32 new hotels, 9 motels and 50 guest houses are to be commissioned. As a result, the number of accommodation beds will reach 7,000, and the tourist reception capacity will double.

Works are also in progress to repair the 122-kilometer Gijduvan-Kagan road, to establish modern and comfortable transportation among the mausoleums of Seven Pirs, and extensively introduce the international standard Halal.

Shavkat Mirziyoyev pointed to the need to turn Bukhara into a “tourist crossroads” by boosting the number of flights and the frequency of trains and buses running from Samarkand, Khiva and Shahrissabz.

Meanwhile, the head of our state gave instructions to build a museum of the Bukhara history, entertainment facilities, handicraft centers, and organize pedestrian zones in the old part of Bukhara.

