

## **INFORMATION BULLETIN**

Shavkat Mirziyoyev: We will soften quarantine requirements while maintaining strict control over the epidemiological situation



On May 13, President of the Republic of Uzbekistan Shavkat Mirziyoyev chaired a videoconference on measures to further soften quarantine requirements while maintaining a high level of vigilance, a phased revitalization of economic sectors, increasing employment and incomes of the population.

The President noted that the pandemic is still ongoing in the world, but a number of countries are gradually mitigating quarantine restrictions.

- The international community comes to the final conclusion that it is necessary to learn to live and work in a pandemic, since the vaccine and the cure for coronavirus have not yet been found. We also began to soften the quarantine requirements, while maintaining strict control over the epidemiological situation, and we will consistently move in this direction.

We are taking these measures, first of all, to ensure employment and increase incomes of the population through the resumption of economic activity.

In this regard, we are studying the real situation in our country and the international experience. A preliminary analysis shows that good results are achieved where governors take full responsibility and act in consultation with people.

We all must be clearly aware of one fact: how efficiently the new system that we introduced because of the pandemic will work depends only on us, – said Shavkat Mirziyoyev.

Activities carried out to combat the pandemic and support the population and enterprises in quarantine were also considered at the meeting.



For this purpose, 3 trillion UZS were allocated from the Anti-Crisis Fund. In addition, to ensure economic activity, new investment projects have been launched worth more than 1 trillion UZS.

In addition, a delay was granted for the repayment of bank loans of 87 thousand business entities for 18 trillion UZS and about 2 million citizens in the amount of over 5 trillion UZS.

Last month alone, 250 thousand entrepreneurs and enterprises, 83 thousand farms received a deferral of taxes and other payments totaling 400 billion UZS. More than 11 thousand entrepreneurs using state property are exempted from paying rent.

Taking into account the precautionary measures, **10 thousand out of 14 thousand industrial enterprises that suspended their activities for the period of quarantine resumed their activities. 178 thousand employees returned to their places**.

The Ministry of Economic Development and Poverty Reduction has been instructed to carefully study together with the governors of the regions the problems of 4 thousand non-working industrial enterprises and to establish their activities until the end of May.

The President noted that **support for entrepreneurs and the public in a pandemic will not be limited to previously provided benefits and will continue**.

**First**, the social tax rate for small business and farms will be reduced from 12 percent to 1 percent in May-July. As a result, more than 260 thousand enterprises and farms will be able to save 650 billion UZS and use them as capital and current assets.

**Second**, small business representatives and individual entrepreneurs will be exempt from land tax and property tax over the next three months. Thanks to this, more than 50 thousand entrepreneurs will save 300 billion UZS, and their current assets will increase.

According to the previous decision, in April-May, more than 1000 entrepreneurs will be written off 80 billion UZS of interest charged for late payments of land and property taxes.

<u>**Third</u>**, entrepreneurs will be allowed to pay customs duties with a delay of up to 120 days. This will allow them to save 540 billion UZS and direct these funds to development of their business.</u>

**Fourth**, to further support low-income families, another 200 billion UZS will be allocated from the budget, which will allow to cover benefits for another 70 thousand families, or 10 percent more.

**<u>Fifth</u>**, if previously the government partially covered interest payments on investment loans with a rate of up to 22 percent, now interest payments on loans with a rate of up to 26 percent will be covered partially.

In addition, the amount of compensation for loans worth up to 500 billion UZS (previously up to 10 billion UZS) issued to entrepreneurs for working capital replenishment will be increased from 5 to 10 percent.

<u>Sixth</u>, in Tashkent, the practice of lending to the population for construction and repair of individual housing, introduced in Andijan, Namangan and Fergana regions, will be applied. This will create about 10 thousand seasonal jobs in the capital.

<u>Seventh</u>, in order to increase domestic demand for products of domestic enterprises and thereby support their state bodies, the right will be granted to carry out purchases planned for the III-IV quarters of the current year, in the II quarter.

In general, more than 2 trillion UZS will be allocated from the budget to further support the economy and citizens.

The epidemiological situation in the country and further mitigation of quarantine requirements based on proposals from regional leaders was discussed at the meeting. In particular, it was noted that it is advisable to gradually allow the provision of services in strict accordance with sanitary and hygienic requirements in "green" and "yellow" zones.



The Republican Commission was instructed to approve the order of actions in accordance with which ministries and agencies will take priority measures in case of deterioration of the epidemiological situation.

The urgent task remains to restore transport links between remote districts and the capital. In this regard, **it is planned to resume flights** between Tashkent and Nukus, Urgench, Termez, the movement of the high-speed Afrosiyob train to Samarkand, Navoi, Bukhara, Karshi and trains to Fergana valley. The issue of removing restrictions on using personal vehicles in cities is also being studied. The ministries of transport, internal affairs and health are instructed to submit relevant proposals to the Republican Commission.

It is known that due to the risk of infection, payments were transferred to non-cash form. Taking into account appeals of the population, especially pensioners, it was decided to issue wages, pensions and benefits in cash in full compliance with the quarantine rules.

Instructions were given to create decent jobs and expand housing construction in the districts of the city of Tashkent.

At the current meeting, work on softening quarantine measures and business recovery was discussed using the example of Samarkand and Kashkadarya regions.

As a result of softening the quarantine requirements in the last two weeks, 90 percent of enterprises in Kashkadarya region and 60 percent in Samarkand region resumed their activities. But this is not enough to provide the population with income. The number of poor families is 91 thousand in Kashkadarya and 48

thousand in Samarkand. There are more than one hundred thousand unemployed in each of these regions.

The Head of the state emphasized that **support for low-income families and their employment should be the top priority of regional leaders**.

At the meeting, the Head of the state mentioned the changes in the composition of the government.

Today, the **President's resolution "On additional measures to improve the activities of the Cabinet of Ministers of the Republic of Uzbekistan**" was adopted, which entrusted the Prime Minister with new function, redistribution of tasks among his deputies was carried out.

Taking into account the growing importance of social issues, **the post of Deputy Prime Minister for Social Development has been introduced**. Bekzod Musayev, who previously held the post of the Chairman of the State Tax Committee, was appointed to this position.

The President's Advisor on Civil Service and Interaction with Representative Authorities has been appointed Chairman of the State Tax Committee.

At the meeting, the governors of Samarkand and Kashkadarya regions, leaders of other regions and industries reported on the organization of the implementation of the tasks.

