

EMBASSY OF THE REPUBLIC OF UZBEKISTAN IN JAPAN



INFORMATION BULLETIN

The self-employed to be exempt from income tax

On May 19, President of the Republic of Uzbekistan Shavkat Mirziyoyev chaired a video conference to discuss additional measures to support entrepreneurship.

Once more, while starting the meeting, the head of state expounded on ongoing work to counter the pandemic.



Of the 2,880 people diagnosed with coronavirus, 2,314 or 82 percent have recovered completely. More than 78 billion soums were paid as bonus to 23 thousand medical workers who show genuine courage on this front.

To date, **39 thousand compatriots have been brought from foreign countries to Uzbekistan.** Measures are being taken to provide the necessary assistance and the return of another 12 thousand who found themselves in a difficult situation abroad.

Activity is restored in various sectors of the economy. For example, over the past week, **electricity consumption by business entities increased by 13 percent.** Over the last two weeks, **cement sales on the commodity exchange has grown by 104 thousand tons, fuel – by 74 thousand tons, industrial glass – by 60 thousand square meters** compared to the same period last month.

About **110 thousand business entities have been allowed to resume activities**, and more than **600 thousand people returned to their jobs.**

On May 18, the President signed another decree on subsequent measures to support the population and entrepreneurs during the coronavirus pandemic. In accordance with the document, **more than 500 thousand enterprises and about 100 thousand people will receive additional assistance worth 1.7 trillion soums.**

The meeting participants discussed additional measures and priorities in this direction.

First of all, serious attention is paid to securing the rights of entrepreneurs and the inviolability of their property.

Relevant authorities have been instructed to strengthen responsibility for infringing on the inviolability of property, to ensure the full implementation of judicial decisions on compensation for property of entrepreneurs.

A new system will be introduced to create decent conditions for self-employed citizens. Thus, hairdressers, shoemakers, bakers, blacksmiths, carpenters, tailors, taxi drivers, photographers, translators, designers, programmers – the self-employed representatives of more than **60 professions will be exempt from income tax**. To take advantage of this benefit, it will be enough to notify the tax authorities by phone. Based on international best practices, a mobile application will be developed for registration and accounting of self-employed citizens.

The Ministry for Economic Development and Poverty Reduction and the Ministry of Justice were instructed to draw up, on the basis of accurate calculations, a list of public services that could be transferred to the private sector.

During the lockdown period, many organizations may lose solvency and be on the verge of bankruptcy. In this regard, a procedure is being introduced according to which, **in case of reorganization of an enterprise, its tax and other debt arrears can be repaid after quarantine has ended**.

From now on, small industrial zones will be organized on the principle of ownership, and the private sector will actively participate in management. The Agency for the Development of Small Business and Entrepreneurship together with local hokimiyats will be engaged in the placement of such zones, the allocation of funds for infrastructure and the involvement of the private sector in management. **This year, 200 billion soums will be allocated from the Anti-Crisis Fund to connect these industrial zones to the infrastructure**.

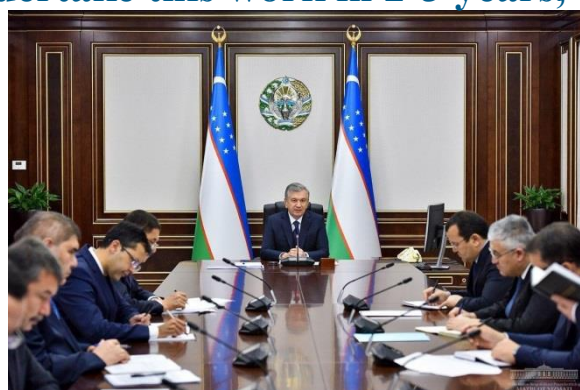
As part of mitigating the effects of the pandemic, **the repayment term of 1 trillion soums of loans allocated to the program “Every Family Entrepreneur” was extended**. Therefore, for the full implementation of the program, **\$100 million was assigned from the Fund for Reconstruction and Development**.

Shavkat Mirziyoyev emphasized that **all restrictions established for entrepreneurs in obtaining loans for products, equipment, raw materials and working capital should be removed**. The Central Bank has been instructed to **simplify lending conditions for small businesses and family entrepreneurship**.

It was noted that in order to create demand for goods it is necessary to stimulate trade and expand consumer lending in order to increase the purchasing power of the population.

President: Should we fail to undertake this work in 2-3 years, each year of delay will cost 10 years of progress

On May 11, President of the Republic of Uzbekistan Shavkat Mirziyoyev held a meeting on the widespread introduction of digital economy and e-government.



At the initiative of the head of state, this year was declared as the Year of Science, Education and Digital Economy. In his Address to the Oliy Majlis this January, the President identified active transition to the digital economy as one of the top priorities for the next five years.

The current pandemic has proven the importance of digital technology even more clearly. It became obvious that education, public services, public administration, trade and services are largely dependent on information technologies. Services that had not been provided remotely for many years have switched to online mode in a matter of days.

On April 28, the President inked a decree on measures for **the widespread introduction of the digital economy and e-government**. In accordance with the document, an integrated system for the digital economy has been created at the Ministry for Information Technologies and Communications. In particular, development of e-government, the digitalization of economic and agricultural sectors, the organization and management of IT parks and similar tasks were completely transferred to the ministry.

The resolution specifically indicates the financial sources of new projects. **It is planned to implement 104 projects in the electronic government** for the amount of 1.3 trillion soums, **87 projects in the real sector of the economy** for 5.3 trillion soums, **35 schemes in the telecommunications sector** for 15.1 trillion soums, **18 schemes in IT parks and 24 in the agricultural sector**.

At the meeting, Shavkat Mirziyoyev noted thus, “If we fail to undertake this work in 2-3 years, each year of delay will cost our country 10 years of progress.”

The current state of digitalization of services was analyzed.

The Ministry for Information Technologies and Communications has been tasked with classifying the databases of government departments, connecting them to an interagency integration platform and introducing common technological requirements for electronic interaction.

Given the impact of the pandemic, the importance of accelerating the transition of the most popular public services to electronic form was emphasized.

Instructions were given regarding **the introduction by the end of this year, in Tashkent, of electronic medical records, e-hospital systems and emergency medical care, the establishment of a unified register of social protection for keeping records of social benefits**.

The State Tax Committee has been ordered to **transfer trade and service facilities to work with online cash registers**, launch alcohol and tobacco product labeling and electronic invoices.

Over the next five years, due to the widespread introduction of information technology in industrial enterprises, it will be possible to reduce costs by 13-15 percent.

The Ministry of Transport was instructed to deliver automated payment systems for the transportation of goods by rail and for public transport services in Tashkent, to speed up the introduction of a single electronic ticket for all modes of transport.

The meeting participants discussed the development of information technology infrastructure. According to a World Bank report, expanding the broadband internet access networks by 10 percent could increase GDP by at least 1 percent.

National Children's Medical Center commissioned

Construction of the National Children's Medical Center in Yashnabad district of Tashkent has been completed. On May 20, the Head of the state Shavkat Mirziyoyev visited this institution.

The center, worth more than \$130 million, was built with the support of the Republic of Korea on the basis of Baum Corporation's project. This is a unique pediatric institution in Central Asia specializing in high-tech medical services. Here it is possible to perform more than 1.5 thousand unique surgical operations per year.



The four-store medical building is designed for 280 beds, and the polyclinic will accept up to 250 patients per day. The center is equipped with a magnetic resonance imaging, a multi-helical computer tomography, a DNA analyzer and modern technologies that allow to pre-detect cancer.

More than 100 doctors and nurses were trained in South Korea

for working in the center.

Facilities for surgical procedures are equipped with special cameras so that other hospitals and higher education institutions could monitor operations online.

The Head of the state got acquainted with the conditions created in the clinic, visited the Situation Center and talked with specialists from the regions of the country and Pusan University in South Korea.

It is planned to create a modern clinic for adults and a higher education institution near the center. Presentation of their projects took place.

“Branches of medical centers for children and adults will be opened in the regions. Thus, we will raise medical science and practice to the level of the most advanced standards”, said President Shavkat Mirziyoyev.

PRESS RELEASE OF THE MINISTRY OF FOREIGN AFFAIRS OF THE REPUBLIC OF UZBEKISTAN

Uzbekistan welcomes the achievement by the political leaders of Afghanistan of the Agreement on the creation of an inclusive government and the Supreme Council for national reconciliation.

We also express hope that these important decisions will pave way for political negotiations and lasting peace in neighboring Afghanistan.

For its part, Uzbekistan will continue to strengthen relations of friendship and good neighborliness with the people of Afghanistan, support in every way the inter-Afghan political process and render comprehensive assistance to building peaceful and prosperous Afghanistan.

Shavkat Mirziyoyev: Houses will be repaired and built by the state for free

A meeting of the President of the Republic of Uzbekistan Mr. Shavkat Mirziyoyev with local residents was held in Sardoba district in Syrdarya region.

President Shavkat Mirziyoyev emphasized that the **technogenic accident on the reservoir** was a great trial, a Government Commission was created and all the forces and opportunities were mobilized to deal with the flood consequences.



“Again, for the fourth time, I am visiting you to organize the work and find out how are residents of Syrdarya doing. **Every hour, every minute I ask about the situation here**, they report to me by phone”, the Head of the state said.

It was noted that the main task is to restore the living conditions of the population, work has begun on the repair of damaged houses and construction of new housing.

“**Both the repair and construction of new houses will be carried out by the state for free. By September 1, people will be able to move into new apartments and their renovated homes.** At the same time, the land under the destroyed houses will remain at the disposal of their owners”, the President said.

On behalf of the President of the Republic of Uzbekistan, **material assistance in the amount of 40 million UZS and gifts containing household appliances, TV sets, refrigerators, washing machines, mini-furnaces, electric kettles and irons are transferred to each of about 4.5 thousand homeowners affected by the flood.**

Funds in the amount of \$10 million USD donated by our compatriot Alisher Usmanov were also allocated for these purposes. Khokimiyats, ministries and agencies, business associations and entrepreneurs are also providing sponsorship to Syrdarya region.

At the meeting, Sardoba residents were presented with appropriate gift certificates and bank cards.