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“Today’s intense period of ever increasing competition across the world requires a new way of working and thinking, as well as high level of mobilization from all of us.

Proceeding from these tasks, and in order to elevate the national development to the new level, we have adopted the National Development Action Strategy on Five Priority Areas 2017-2021.

The Strategy has defined enhancement of the state and social construction, ensuring the rule of law and reforming the judicial system, further development of the economy and social sphere, ensuring security, inter-ethnic peace and religious tolerance, pursuance of a thought-out, mutually beneficial and pragmatic foreign policy as the main areas of our development.

The principle in the Strategy of Actions “People are not supposed to serve the government agencies, but it is the government agencies that should serve the people” has turned into one of the most priority areas of state policy.”

Shavkat Mirziyoyev
President of the Republic of Uzbekistan

*From the speech at ceremony dedicated
to the 26th anniversary of Independence
of the Republic of Uzbekistan*

Introduction

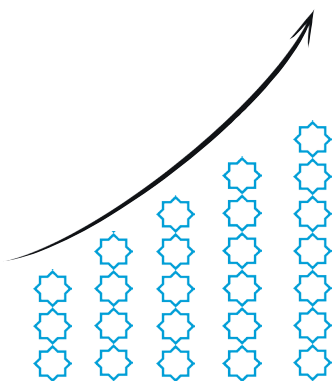
In the conditions of rapidly developing reality, each state determines its firm stance and effective ways of development. In this context, the independent Uzbekistan needed to objectively assess the historical development path of the young independent state, the accumulated experience and analyze the progress made, identify measures to further enhance democratic reforms, set priorities for accelerated development of the country and clear goals.

The mentioned objectives were preceded by practical talks, discussions with the broad public, representatives of the business community, leaders and experts of state bodies. They reviewed legislative acts, information and analytical resources of local and international organizations, recommendations and comments, as well as studied the experience of developed foreign countries.

The proposals, their study and generalization built the basis for the National Action Strategy for Five Priority Development Areas in 2017-2021 and other programs that have mapped out the fate of the state for the near future.

The Action Strategy is split in five stages, each of which will be carried out as a separate annual State program. The first stage of reforms was reflected in the State Program on the Implementation of the National Action Strategy for Five Priority Development Areas in 2017-2021 in the Year of Dialogue with the People and Human Interests.

In this regard, the reforms in the framework of the Action Strategy accentuated the implementation of the tasks identified in the State Program. The effective implementation of 437 actions, consisting of 320 articles, adoption of 29 laws and more than 900 other legislative acts have resulted in certain





positive changes in all areas of life of the state and society.

In 2017, many initiatives of the head of state on the reborn of state authority and administration, judicial and legal system, agriculture, oil and gas, chemical, mining, energy, construction, architectural industries, road and transport communications, pharmaceuticals, textiles, tourism, information technologies, as well as integrated socio-economic development of the regions have been practically supported by people. The guarantees for protecting citizens' rights and freedoms have been strengthened.

The measures within the framework of state and regional programs were aimed at solution of the problems of people's concern that relate to everyday life. The objectives of ensuring the balance between the state and society, adoption of new technologies of public administration, improvement of public administration, and creation of decent living conditions for people are being effectively fulfilled.

The consistent follow up of the liberalization and reform processes in all areas of society remains a priority. Pressing problems in all areas and branches have been openly discussed with the population, and addressed. The adoption of all decisions based on the opinions and appeals of the people proved key in prompt and effective implementation of reforms.

The streamlined procedure of providing information and reports in the economic, banking and financial institutions, in utilities sector, internal and foreign affairs, education and upbringing, public health, parliamentary and local councils, judicial and legal system allowed introducing public control in practice.

Initiated by the President, fundamental reforms and actions in all areas of state and society life have further strengthened the entrepreneurial trends in people, strengthened their civil position, expanded the involvement of each person in state and public management. Official decisions are getting more focused on human interests.

This edition consists of five main sections, each of which covers each of the five priority areas of the Action Strategy. It draws your attention aiming to highlight the ongoing reforms in the country in 2017, and to convey their idea and importance to the general public.

It thoroughly and profoundly analyzes the reforms that have been implemented at the initiative of the President of the Republic of Uzbekistan Shavkat Mirziyoyev throughout 2017 in all areas of life of the state and society. The information is represented as short observations and infographics.

This book offers information on the reforms that have been implemented in all areas of life of the country over the past year, and is seen as important to the general public.

Evaluation of reforms, held in the Republic of Uzbekistan by the international politicians and head of organizations:



MESSAGE FROM THE UN SECRETARY-GENERAL ANTONIO GUTERRES TO THE PRESIDENT OF THE REPUBLIC OF UZBEKISTAN SHAVKAT MIRZIYOYEV

“The Strategy of Actions has much in common with the United Nations Sustainable Development Goals, and the 2030 Agenda for Sustainable Development and could be the basis for further expanding cooperation between Your country and the United Nations. I fully support Your efforts to intensify interaction with neighboring countries. The UN is ready to support Your government to achieve our common goals, including the implementation of the Sustainable Development Goals, consolidation of regional cooperation and preventive diplomacy.”



LETTER FROM THE IMF MANAGING DIRECTOR CHRISTINE LAGARDE TO THE PRESIDENT OF THE REPUBLIC OF UZBEKISTAN SHAVKAT MIRZIYOYEV

“I sincerely welcome the efforts made by You and Your economic team to reform the economy of Uzbekistan. Let me assure You that we are fully prepared to support the measures You are taking to reform by providing technical assistance and recommendations on economic policy issues.”



ZEID RA'AD AL HUSSEIN, UNITED NATIONS HIGH COMMISSIONER FOR HUMAN RIGHTS

“The Strategy of Actions, developed at the initiative of President Shavkat Mirziyoyev, is a very serious and bright program. It reflects the ideas of the United Nations and reforms aimed at ensuring human rights. We understand that the reforms assigned in the Strategy of Actions are of long-term and it takes some time to implement them, yet the most important, the process has already started.”



MESSAGE FROM THE PRESIDENT OF THE WORLD BANK GROUP JIM YONG KIM TO THE PRESIDENT OF THE REPUBLIC OF UZBEKISTAN SHAVKAT MIRZIYOYEV

“Dear Mr. President.

I would like to once again congratulate you on your vision and activities to transform Uzbekistan into a modern economy with a dynamic private sector in which economic growth is inclusive and sustainable.

Let me emphasize that the World Bank Group is committed to supporting you in this activity and that we highly value the trust you show in our organization. The World Bank Group is ready to act as a leading partner in supporting economic and social reforms in Uzbekistan.

In view of the growing needs of Uzbekistan for development, due to the Action Strategy, we are ready to accelerate financing by the World Bank Group during the remaining period of the Country Partnership Strategy and provide high-level technical assistance in the field of structural reforms, social and basic infrastructure modernization, and agricultural sector reform.”



STEPHEN PRISNER, UN RESIDENT COORDINATOR IN UZBEKISTAN

(from February 7, 2013 till August 3, 2017)

“The UN system in Uzbekistan fully supports the new program of reforms of Uzbekistan. The tasks set in the Strategy of Actions are very relevant in the current conditions of development of Uzbekistan.

It provides for administrative, judicial, economic reforms and social development, boosting rule of law, as well as implementation of foreign state policy in the spirit of good-neighborliness, friendship and interethnic tolerance. It is gratifying that many of these tasks are consonant with the priority areas of cooperation of the UN system with Your country in accordance with the United Nations Development Assistance Framework for to the Republic of Uzbekistan for 2016-2020.”



SUMA CHAKRABARTI, PRESIDENT OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

“We support the reforms implemented in Uzbekistan, projects aimed at the comprehensive development of the country. We were glad to be acquainted with the National Action Strategy on Five Priority Development Areas in 2017-2021. This Strategy is comprehensively and thoroughly thought out and very promising. Its preliminary discussion by the wider public, the consideration of opinions and expert proposals deserve attention. This is a clear example of the practical implementation of the goals outlined in the State Program “Year of Dialogue with the People and of Human Interests.”



**IMPROVING THE SYSTEM
OF STATE AND PUBLIC
CONSTRUCTION**



New approaches and schemes

New time and a new stage in the development of the state poses the need to further mainstream the system of public administration.

With this in mind, main attention in the course of development of the National Action Strategy for Five Priority Development Areas in 2017-2021 was paid to the fundamental reformation of state and public construction. Therefore, this goal is determined as the first priority area, and fully reflects the concept “From a strong state toward a strong civil society”.

THE FIRST SECTION OF THE STATE PROGRAM ENVISAGES THE IMPLEMENTATION OF 53 ITEMS, INCLUDING THE DEVELOPMENT OF OVER 50 REGULATORY ACTS, CONCEPTS AND ROAD-MAPS



Consolidation of the role of parliamentary control, introduction of the **“ELECTRONIC PARLIAMENT”** system



Securing equal access to public services, adoption of the Law **“ON CIVIL SERVICE”**

Implementation of administrative reform, provision for the effectiveness and **TRANSPARENCY OF GOVERNMENT AGENCIES**, introduction of administrative procedures into their activities



GRADUAL REDUCTION OF STATE PARTICIPATION in the economic sectors



Enhancement of the participation of citizens and media in the socio-political life of the country, improvement of the mechanisms of **PUBLIC CONTROL**



Creation of **“PEOPLE’S RECEPTION”** rooms in each district (city) to consider appeals from individuals and corporate entities

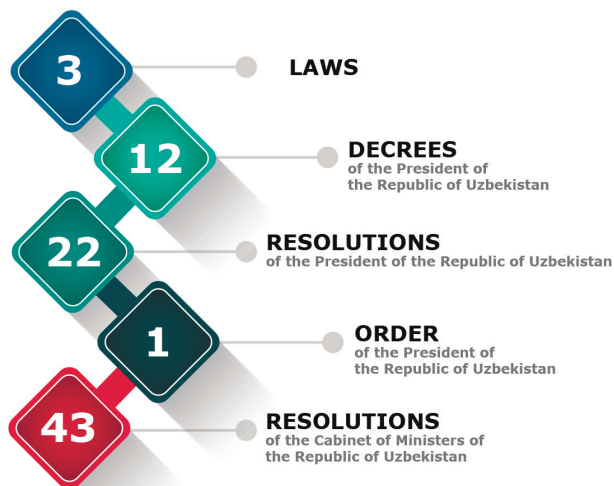
Improvement of the structure and expansion of the powers of state authorities in localities, **STRENGTHENING THE CONTROL OF THE COUNCILS** of people’s deputies over the activities of local executive bodies



Creation of reliable legal bases for the development of **PUBLIC-PRIVATE PARTNERSHIP**



In the area of improving the state and public construction, following documents have been adopted



- the “E-government” system has been streamlined, and quality of public services was improved;
- the public administration system has been improved, effective mechanisms of dialogue with the people have been introduced, and the role and effectiveness of the mahalla (self-regulated local communities) institution in public administration has been enhanced.

Large-scale reforms have been implemented and **81** regulatory legal acts have been adopted in this area in line with the Action Strategy and with the aim to fulfill priority tasks on improvement of the system of state and public construction management. The outcomes are listed below:

- the role of the Oliy Majlis in the system of state power has been increased, its powers in implementation of parliamentary control over the fulfillment of important tasks of the country’s foreign and domestic policy, as well as the activities of the executive power have been further expanded, and the role of political parties in the life of the state and society has been strengthened;

Parliamentary control as essential factor of development

Reforms in the public administration of Uzbekistan began with the transformations in the Parliament as the front representative branch of power.

The role of the National Parliament and political parties has increasingly grown. Senators and MPs visited regions, studied the living conditions of the people, took part in analysis and solution of people’s problems. It was the biggest change in the activity of Chambers of the Oliy Majlis.

President of the Republic of Uzbekistan Shavkat Mirziyoyev, representatives of two chambers of the Oliy Majlis of the Republic of Uzbekistan, political parties, and Ecological Movement of Uzbekistan came together on July 12, 2017. They discussed the activities of the National Parliament and ways to further catalyze its work.

At the meeting, the President told about the progress made, and critically analyzed the performance of representative authorities, political parties and the Ecological Movement for the past period, and set proposals for further enhancement of reforms.

The Parliament appointed specific groups under the commissions of the upper house and regions, and entrusted them with implementation of objectives and strengthening control in this area. Every month members of the commission visited regions, analyzed existing problems, and took practical measures to address and solve them.

For the first time ever, senators heard the report of the Minister of Internal Affairs on actions to combat crime and prevent violations. Following the report, the appropriate measures were taken.

Councils of people's representatives have been established in Tashkent at the district level. Thereby, the residents of Tashkent now have the opportunity to engage in the district management through their representatives.



... it is not easy to be a member of parliament, earn people's trust and justify it. This is the honor of the few. The MP is the closest person to the people with his ideas and views, he constantly lives through the problems and concerns of the country, he is a person with rich knowledge and experience.

Shavkat Mirziyoyev
President of the Republic of Uzbekistan

Parliamentary commissions have been established to guarantee labor rights of citizens, youth, family and women. They demonstrated a remarkable enthusiasm in open discussions of relevant issues within the framework of national and international cooperation.

The Parliament strengthened cooperation with executive authority. The post of the permanent representative of the Cabinet of Ministers in the chambers of the Oliy Majlis and his legal status have been established.

The role of councils of people's representatives in addressing urgent problems on the ground has been increased. There is a new system of hearing reports of heads of local executive authorities.



Improving the system of public administration

The successful implementation of large-scale reforms at the present stage of development requires a drastically new and effective system of public administration.

The work in this direction began with the revision of the organizational and legal mechanism of state and economic management bodies, as well as local authorities, their tasks and functions.

In particular, the mission and functions of many ministries and departments have been revised within the framework of the Actions Strategy aiming to introduce new modern ideas in the system of public administration. Some of them were reorganized. The whole range of new ministries and departments was established in order to effectively address the accrued problems.

The Ministry of Housing and Communal Services of the Republic of Uzbekistan, ministries of pre-school education, foreign trade, innovative development, the State Committee for Tourism Development, the State Committee for Defense Industry, and the National Agency for Project Management rank among them.

As a follow up of these reforms, in September 2017, the Resolution of the President of the Republic of Uzbekistan approved the Concept of Administrative Reforms. The document outlines six priority areas for the public administration system, and assigns the revision of the activity of over a hundred state and economic management bodies on the basis of a specific roadmap.

Within the framework of the Concept of Administrative Reforms, the institutional and organizational-legal structure of other related ministries and departments was streamlined in short term, including the mission and functions of executive bodies, as well as mechanisms for their implementation.

The system of financial and technical support and salary distribution for local authorities was revised, and the authority of governors in staff appointment was strengthened. Practical measures have been taken to ensure the independence of local authorities in the formation and management of the local budget.

In order to introduce new modern ideas in the public administration

Administrative structures revised



Functions and tasks revised



18 ministries and agencies

reorganized



24 agencies of public administration, economic management and other organizations

Optimizing public services

Number of electronic state services reached **33**

75 thousand people use them

Entrepreneurs are provided with online submission of applications for obtaining

61 type of licenses for **40** types of activity

The country is consistently improving and modernizing the system of rendering state services, which betters the quality of life of the population, the investment climate, the business environment and its development.

The launch on April 1, 2017 of the automated system of state registration of business entities, which allowed to reduce registration procedures to 30 minutes, contributed to improving the position of Uzbekistan in the indicator of Business Registration in the global ranking of Doing Business 2018 from 24th to 11th position.

With the aim to create more conveniences for the use of state services by the population and entrepreneurs, there has been increased the number of electronic state services. Now entrepreneurs have got the opportunity to send online applications to obtain a license for various activities.

With the aim to switch the national system of rendering state services to a qualitatively new level that fully meets the needs of the population and business entities, as well as solve certain systemic problems, the President of the Republic of Uzbekistan adopted December 12, 2017, the Decree “On measures for drastic reformation of the national system of provision of state services to the population.”

This Decree defines a set of organizational and legal measures to dramatically improve the quality, efficiency, transparency and accessibility of state services, the basis of which is the unconditional implementation of the noble idea “People are not supposed to serve the authorities, but it is the government that should serve the people.” These ideas will allow to introduce an important principle in the state services sector “Papers move, not people”.

In particular, a separate state agency has been created - the State Service Agency under the Ministry of Justice of the Republic of Uzbekistan with territorial units, which is responsible for implementing state policy in this area. This will ensure the complexity and consistency of ongoing reforms, increase the responsibility of authorized bodies and organizations for the quality provision of state services. Thus, the formation of a clear organizational and institutional basis for the management of the sector of rendering state services to the population is ensured.

Based on this Decree, the Agency’s activities are coordinated by the Office for Protection of Citizens’ Rights, Control and Coordination of Work with Appeals of Individuals and Legal Entities of the Office of the President of the Republic of Uzbekistan, while the activities of the regional offices of the Agency coordinated by the People’s Receptions of the President in the Republic of Karakalpakstan, regions and the city of Tashkent.

Also, the Unified Centers for the provision of state services to business entities on the principle of “Single Window” have been transformed into State Service Centers operating under the People’s Receptions of the President of the Republic of Uzbekistan in regions (cities).

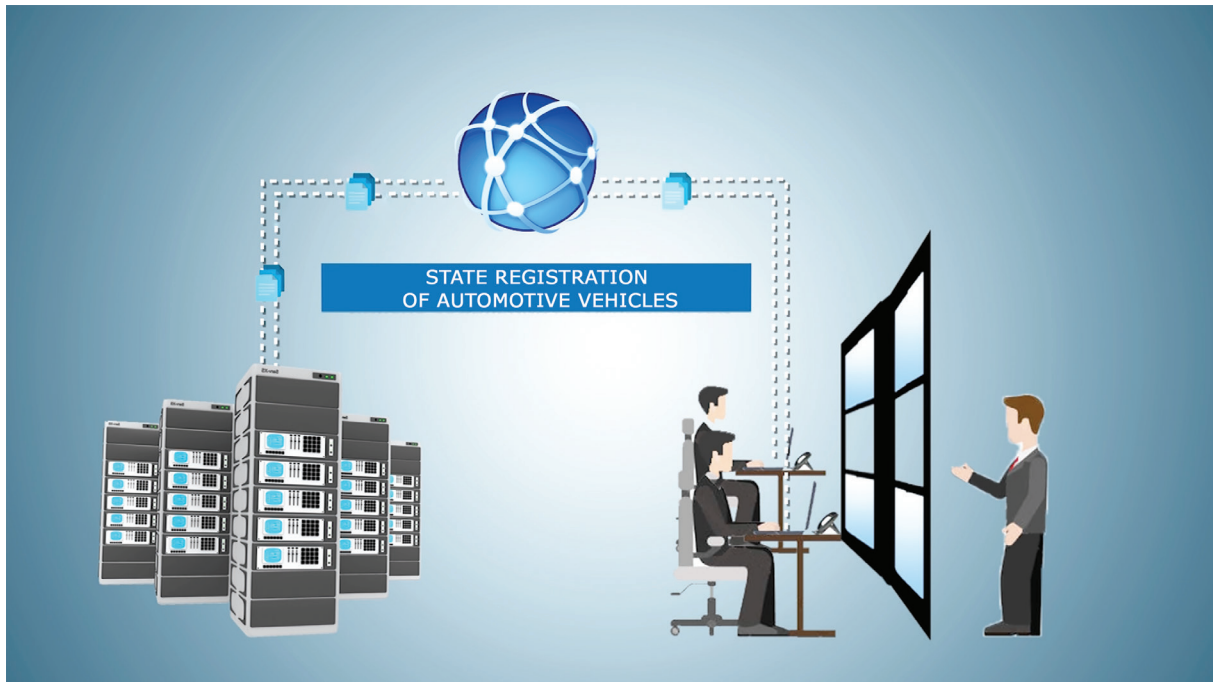
Now the “Single Window” will operate not only to render services to business entities, but also to ordinary citizens. The provision of contactless interaction with state officials will allow to receive state services promptly without corruption risk for the population, significantly facilitate the everyday life of citizens, eliminate cases of bureaucracy and red tape.

Furthermore, the Decree approved a list of 58 types of state services, which will be provided on the ‘Single Window’ principle in the State Service Centers as they are implemented during 2018-2020.

IMPROVING THE SYSTEM OF STATE AND PUBLIC CONSTRUCTION

These include such popular services as connection of households to water supply, sewerage, heat supply and other engineering and communication networks, permission for individual housing construction, registration, de-registration and registration at the place of residence, receipt of various archival certificates, patents, duplicates of official documents, etc.

As a single contact point with the population, State Service Centers and People's Receptions will help to increase the access to state services, reduce the time and financial costs of citizens, and increase their level of satisfaction with the activities of state agencies.



Creation of special sector units in regions

Aiming at unquestioned fulfillment of the objectives of the National Action Strategy for Five Priority Development Areas in 2017-2021, activity management on the ground, drastic changes in schemes and methods of reporting to the public, improvement of the quality of life of the population, accurate elimination of irresponsibility of executives of state bodies, as well as at comprehensive support for initiatives of public authorities, the President approved a Resolution "On priority measures to ensure accelerated socio-economic development of the regions".

The document has helped establish a new system of integrated social and economic development of the regions, or sectoral activities. The territory of the Republic of Karakalpakstan, regions, districts and cities was divided into **four sectors** of integrated socio-economic development under the supervision of the Chairman of Jokargy Kenes of the Republic of Karakalpakstan, regional, district and municipal governors, heads of regional prosecutor's offices, internal affairs, state tax service, respectively.

Supervisors of the sectors studied the state of the families, and addressed most of the problems on the ground. Complicated problems, which should be solved were included in the roadmap of actions, and taken under control.

Supervisors of sectors



Studied the living conditions of **3.5 million families**



Identified over **359 thousand problems**



67 percent of them resolved on site

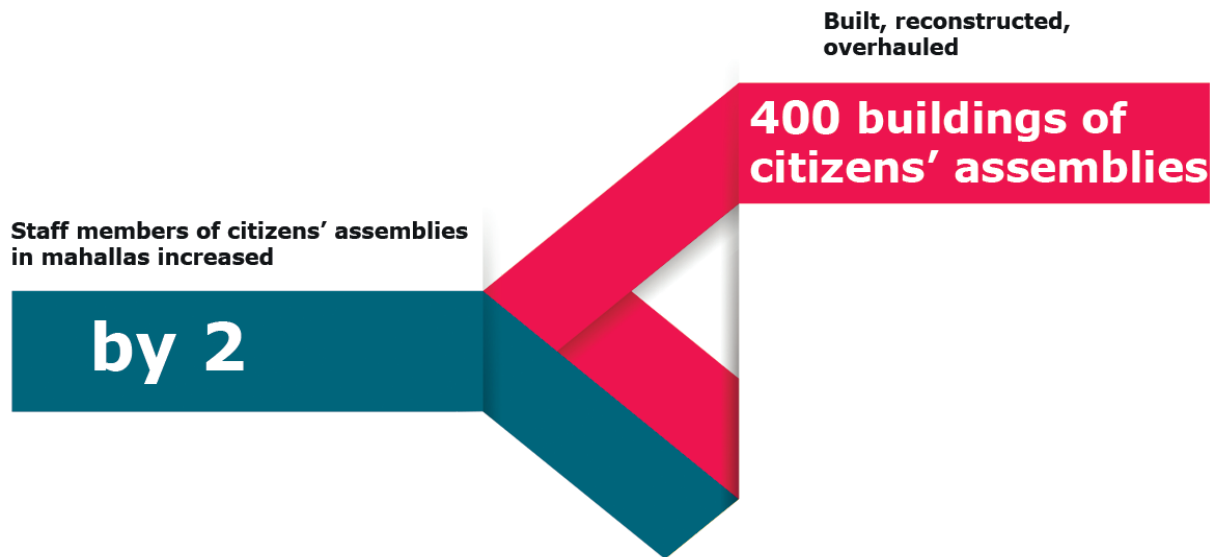
Changes in Mahalla institutions (self-regulated local communities)

The Decree of the President of the Republic of Uzbekistan “On measures to further streamline the mahalla institution” was adopted on February 3, 2017 to make the performance of citizens’ self-government bodies yet more effective, and turn the institution of mahalla into the closest structure to the population.

Aiming to ensure the effective fulfillment of the tasks assigned to citizens’ self-government bodies, the Decree introduced a practice of integrating deputies of chairman of citizens’ assemblies and crime prevention inspectors, heads of educational institutions and rural medical units (family polyclinics) into the Councils of citizens’ assemblies and their quarterly performance reporting to citizens’ assemblies.

The number of employees of citizens’ assemblies in mahallas was also increased under the Decree. Mahallas also carried out the construction, reconstruction and repair of their buildings.

Citizens’ self-government bodies assigned a post of deputy chairman and consultant on youth issues.



A “Mahalla Iftikhori” badge was established as an encouragement for initiative citizens and representatives of public structures for their contribution to the implementation of the tasks assigned by citizens’ self-government bodies.

The activity of public structures “Mahalla Posboni” (Public Order Volunteer) was improved too. The staff of citizens’ self-government bodies now has institutions for recreation.

The initiatives on the improvement of social and spiritual environment in families and communities, strengthening of families and ensuring of stability paved the way for the establishment of a public structure “Ota-onalar universiteti” (University of Parents).

A Standard Regulation on the procedure of addressing appeals of individuals and legal entities was approved for citizens’ self-government bodies. It mainly focuses on ensuring the respect for legitimate interests of citizens, all-round consideration and support of their proposals, and legal regulation of relations in this field by citizens’ self-government bodies.



EFFECTIVE WORK WITH PUBLIC APPEALS

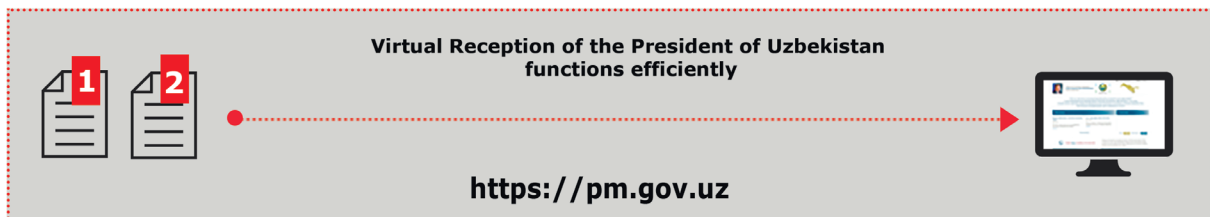
The **Virtual Reception and People's Reception Offices** of the President of the Republic of Uzbekistan aim at ensuring human interests, and primarily the dialogue with people, raising awareness of their concerns, vital problems and needs.



They have turned into an indicator of increasingly effective performance of public authorities and administration, a mechanism for close study of problems on the ground and assessment of responsibility of state bodies and officials.

Over the past period, the President's Virtual Reception and People's Receptions have received **more than 1.4 million appeals** from individuals and legal entities. The consideration of each appeal and proposal is strictly controlled in line with the law.

1 million 338 thousand appeals have been substantially considered, **more than 919 thousand** of them (66.5%) were approved, and **over 418 thousand** (30%) were provided with legal counselling.



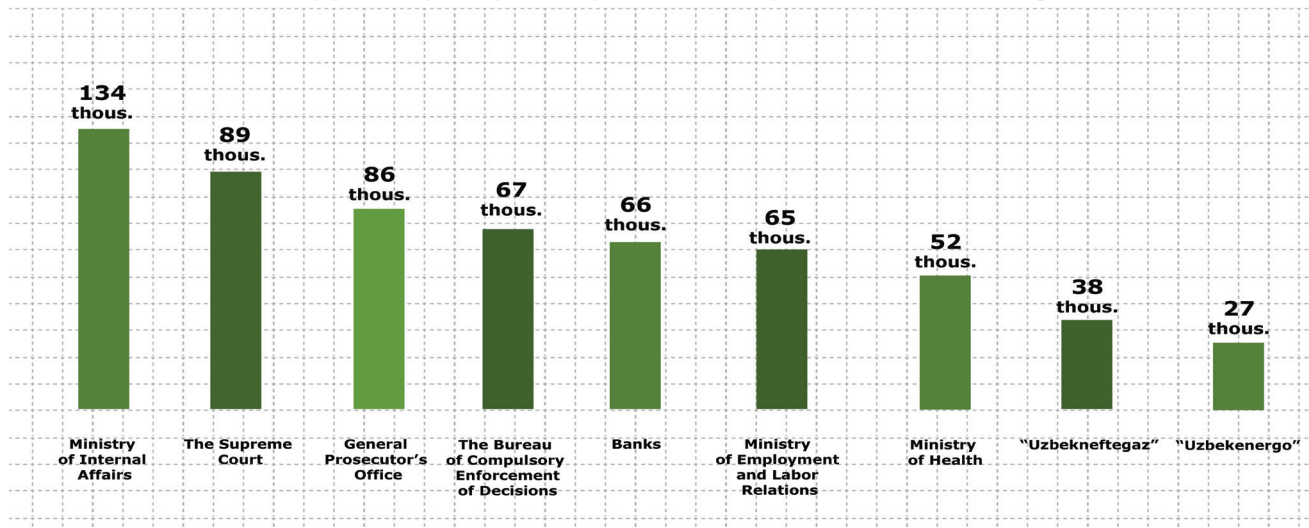
People's receptions in all regions, districts and cities of the republic maintain a direct dialogue with the population, prompt solution of problems arising on the ground, help eliminate shortcomings, protect the rights and interests of individuals and legal entities. During the reported period, the virtual and people's receptions have turned into an institution to address the issues of concern of the population, providing the reliable protection of the constitutional rights and interests of the people.



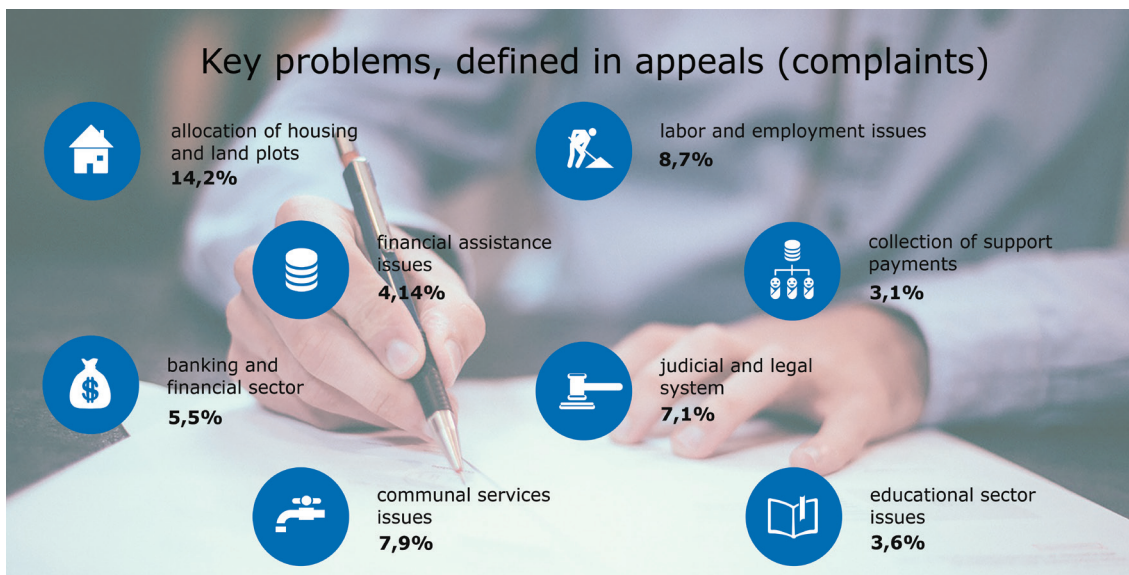
Appeals of individuals and legal entities are **permanently analyzed** to take measures and eliminate existing problems and identified violations of the law.

The facts show that the bulk of complaints in the system of ministries and departments relate to the activities of Ministry of Internal Affairs of the Republic of Uzbekistan, Supreme Court, Prosecutor General's Office, Central and Commercial Banks, Ministry of Employment and Labor Relations, Bureau of Compulsory Enforcement Decisions, Ministry of Health, "Uzbekneftegaz" and "Uzbekenergo" joint stock companies.

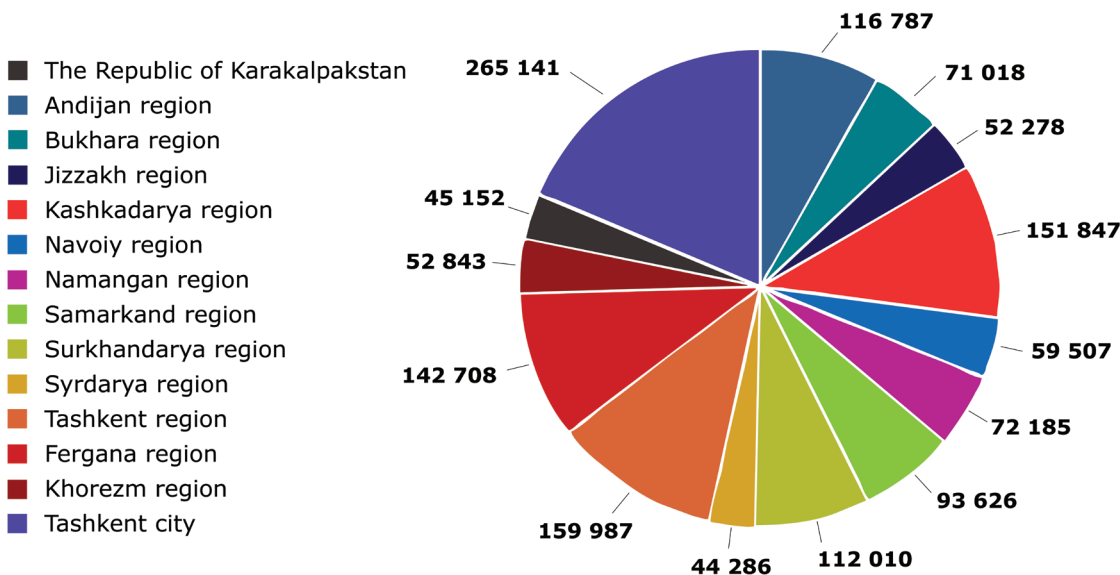
Number of appeals (complaints) received by ministries and agencies



Key problems, defined in appeals (complaints)



As showed by the analysis on the regional level, the majority of appeals and complaints were submitted by residents of the city of Tashkent, Tashkent region, Kashkadarya, Fergana and Andijan regions.



Decrees and resolutions triggered by appeals, and their impact

The Law “On appeals of individuals and legal entities” was adopted in a new version in furtherance of strengthening the legal platform of the work with appeals. A new version of the Virtual Reception of the President of the Republic of Uzbekistan has additional conveniences and options.

The problems raised in the process of consideration of appeals were covered in **98** information and analytical publications.

They triggered the elaboration of drafts of corresponding regulatory legal documents, adoption of over **50** decrees and resolutions on vital issues, reflecting the wishes and proposals of the population. In particular:



construction of affordable housing



improvement of drinking water and heat supply systems, and sewerage



repair of roads



sale of products and services in domestic market in national currency



health care assistance



pension payments in cash

Practical measures resulted in significant decrease in the number of appeals concerning the registration of civil passports, education, housing issues, amnesty, and financial assistance for medical treatment.

Reduction in the number of appeals (complaints)



In average, number of appeals (complaints) for a month since the beginning of 2017 reduced by **30** percent

**ENSURING THE RULE
OF LAW AND FURTHER
REFORMING OF
THE JUDICIAL SYSTEM**



Reformation of the judicial and legal system

Over the past period, significant work has been done to further democratize and liberalize the judicial system, to enhance the role and importance of the judiciary in protecting the rights and legitimate interests of citizens.

The Decree of the President of the Republic of Uzbekistan 'On measures to further reform the judicial system, to strengthen guarantees for the reliable protection of citizens' rights and freedoms' of October 21, 2016 put this area on a qualitatively new level of state policy.

The second track of the Strategy of Actions is devoted to ensuring the rule of law and further reforming the judicial and legal system.

SECTION 2 OF THE STATE PROGRAM ENVISAGES THE IMPLEMENTATION OF 63 ITEMS PROVIDING 71 ACTION. THEY STIPULATE THE DEVELOPMENT OF 60 REGULATORY ACTS, CONCEPTS AND ROAD-MAPS



Establishment of the term of **TENURE FOR JUDGES:**
for the first time - **5 years**, after -
10 years and further - lifetime



Determination of the maximum **LIMIT OF AGE** of judges: district and regional courts - **up to 65**, Constitutional and Supreme Courts - **up to 70**

Improvement of the passport system by **CANCELING** the procedure of issuing an authorization record (**STICKER**) for traveling abroad



DEVELOPMENT OF THE CONCEPT of improvement of criminal and criminal procedural legislation for 2018-2021



ELIMINATION OF CRIMINAL PUNISHMENT in the form of arrest with the expansion of the use of alternative forms of punishment not related to the deprivation of liberty



Introduction in the criminal process of a **SIMPLIFIED PROCEDURE** of pre-trial and judicial proceedings in cases of crimes that do not pose a major public danger

Radical improvement of the activity of **THE INTERNAL AFFAIRS BODIES** in combating crime and protecting public order



Phased transition of **THE NOTARY TO AN ACTIVE OFF-BUDGET MODEL** as an institution for the prevention of civil-legal and economic conflicts



Ensuring the rule of law and further reforming of the judicial system

One hundred thirty nine legal and regulatory documents have been adopted aimed at implementing the tasks and activities outlined in the Action Strategy in this area.

In particular,



Laws



**Decrees,
Resolutions
and Orders
of the President of the
Republic of Uzbekistan**



**Resolutions
of the Cabinet of Ministers
of the Republic of Uzbekistan**



**inter-agency
legal acts**

During 2017, a number of amendments have been introduced to legislative acts aimed at raising the level of judicial and investigative activities to a qualitatively new level.

As part of the reformation of the judicial system, the Supreme and Supreme Economic Court of the Republic of Uzbekistan have been merged. In order to form a judicial corps meeting the requirements of the time, the Supreme Judicial Council is established.

The practice of lifetime period of tenure of judges has been introduced after the first five and ten years of the work term.

The administrative courts of the Republic of Karakalpakstan, the regions and the city of Tashkent have been established, as well as the administrative courts of each district (city), having the authority to examine cases of administrative conflicts arising from public legal relations, as well as administrative violations.

Several courts of the Republic of Karakalpakstan, the regions and the city of Tashkent have been transformed into economic courts of the Republic of Karakalpakstan, the regions and the city of Tashkent. 71 inter-district, district (city) economic courts have been created with the authority to hear cases in the first instance.

The Council for Military Cases of the Supreme Court has been liquidated, a judicial council for administrative cases of the Supreme Court of the Republic of Uzbekistan has been established.

550 specialists have been employed for the newly created courts, in particular **318** for judicial positions. The current post of the secretary of the court session has been liquidated, and the posts of a senior assistant and assistant judge are added to the judicial structure.

Ministry of Justice transferred to the Supreme Court of the Republic of Uzbekistan tasks and powers for material, technical and financial support to courts of general jurisdiction.

In the reported period of the current year, the courts have heard more than 933,000 cases, and 310,481 of them, or 33.3%, have been considered by circuit courts.

With the purpose of making each sentence and court decision just and fair, Uzbekistan has introduced a practice of public opinion heeding.

President of the Republic of Uzbekistan adopted a Decree "On additional measures to strengthen the guarantees for citizens' rights and freedoms in criminal investigation process" aiming to prevent the circumstances that impede ensuring of legitimacy and impartiality in the process of gathering and assessing the evidence during investigation process.

As stipulated by the Decree, torture, psychological and physical abuse and other types of inhuman and degrading treatment are unacceptable in Uzbekistan, and any information received through illegal sources within criminal cases, including audio and video materials, will be inapplicable as physical evidence.

The Decree also entitles advocates to collect and present evidence on a criminal case, which is mandatory for verification and assessment by investigative and judicial bodies. In order to strictly prohibit the illegal methods such as torture, pretrial detention units and remand centers will be equipped with video surveillance.

Unprecedentedly for the country's history, President of the Republic of Uzbekistan adopted a Decree on clemency for 2,700 prisoners, including 956 people in penitentiaries, who had committed crime under certain circumstances, who repented sincerely for their deeds, who have turned to the right path, and who received positive characteristics from their living communities and penitentiaries.

“Critical analysis, strict discipline and personal responsibility should become a permanent and invariable rule for all government employees, including judges”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan



In order to elaborate pivotal measures to eliminate problems in the activities of the judiciary, the President of the Republic of Uzbekistan, Shavkat Mirziyoyev, held a meeting on June 13, 2017 with all the judges of Uzbekistan.

At the meeting, the head of state, focusing on the analysis of problems, noted that the most important task of building a civil society is to ensure the rule of law and justice, as well as “bolstering people’s trust in the judicial system by protecting the rights and freedoms of citizens, turning the court into a true Castle of Justice”.

According to the instructions and recommendations of the President Shavkat Mirziyoyev on the further improvement of the system of advanced training and retraining of judges, the work is carried out to establish a specialized educational institution - **the Academy of Justice**.

Improvement of administrative, criminal, civil and economic legislation

A number of practical measures have been implemented to improve the administrative, criminal, civil and economic legislation.

In particular, the terms of detention of persons suspected of committing crimes have been significantly reduced, the maximum periods of detention as a precautionary measure have been reduced. An approach has been developed according to which the use of precautionary measures in the form of detention is considered as an extreme measure, arrest excluded from the system of criminal penalties. Instead, a new type of punishment has been introduced in the form of compulsory community works.

The institute of the return of criminal cases for an additional investigation by judges has been liquidated, which turned another innovation aimed at increasing the efficiency and quality of the judiciary, the removal of the unjustified delay in reaching the final decisions in the case, the increased role of courts in criminal trials, as well as with a view to reliable protection of procedural rights of citizens during the trial and investigation.

The role of the court in the evaluation of the evidence provided by the investigative bodies has considerably risen, the accusation of a person in committing a crime is strictly indicated only on the basis of the evidence that has found confirmation in the judicial consideration.

Following the reforms implemented



28% of convicts were sentenced to imprisonment



in respect of 215 persons acquittals were made



more than 3 thousand criminal cases were terminated by the preliminary investigation bodies

In order to ensure the stability of the legal relations of citizens, to protect the rights and legitimate interests of participants in the civil process, the time for reviewing the court decision on civil cases in the highest control instance has been reduced **from 3 years to 1.**

The powers to review the cases of the Plenum of the Supreme Court of the Republic of Uzbekistan have been cancelled.

In order to ensure law and order and the rule of law in the country, to provide effective enforcement of legislative acts, and the reliable protection of citizens' rights and freedoms, the system of prosecution authorities has also been reformed.

The Bureau of Compulsory Enforcement has been established under the General Prosecutor's Office. Its main tasks are further strengthening of payment discipline in the field of supply and consumption of electric power and natural gas, identifying, preventing and eliminating illegal connections to electricity and gas distribution sectors, and effective execution of judgments. Within the short period the Bureau has undertaken effective measures to eliminate the shortcomings and problems that had accumulated over the years in the field of electricity and gas supply and the implementation of judicial documents.



Also, it is planned to adopt a number of separate laws, including laws “On the protection of victims, witnesses and other participants in the criminal process”, “On mediation”, “On administrative proceedings” based on the progressive improvement of the system of protection of human rights and freedoms on the basis of universally recognized international standards.

Combating corruption and other violations

Over the past period of 2017, the country has implemented a large-scale work in the field of further increasing the legal awareness and culture of the population, cultivating an irreconcilable attitude to corruption in the society, combating illegal practices in all areas of public life.

Reforms in this area began with the adoption of the law “On Combating Corruption”, first of all, it provides for the goal to unite the forces and capabilities of the state apparatus and civil society institutions in combating this vice.

In order to implement the tasks outlined in the law, this year the President of the country has adopted a number of resolutions.

In particular, the Decree of the head of the state approved the state program to counteract corruption in 2017-2018. **Six** draft laws on combating corruption have been developed. In particular:



**On dissemination
of legal information**



**On public
procurements**



**On administrative
procedures**



On public control



**On public-private
partnership**

A new Law 'On ensuring the distribution and use of legal information' has expanded the opportunity to get access to the documents and other materials related to the rights and interests of citizens.

Throughout the year, executives of court and law enforcement agencies, monitoring agencies and commercial banks, have organized numerous field meetings across the republic. The meetings were attended by **43,127** citizens, who participated in discussions on such issues as fighting corruption and its prevention.

During the meetings, the people referred **22,186** appeals and complaints on issuance of loans, decisions of law enforcement agencies and courts, employment and salary issues, entrepreneurship, electricity and gas supply, healthcare etc. **6,484** appeals were addressed on the ground, **15,702** appeals were forwarded to the respective bodies for further consideration. Special investigations were launched in 94 cases, and guilty parties were brought to justice.

Ensuring the rule of law and further reforming of the judicial system

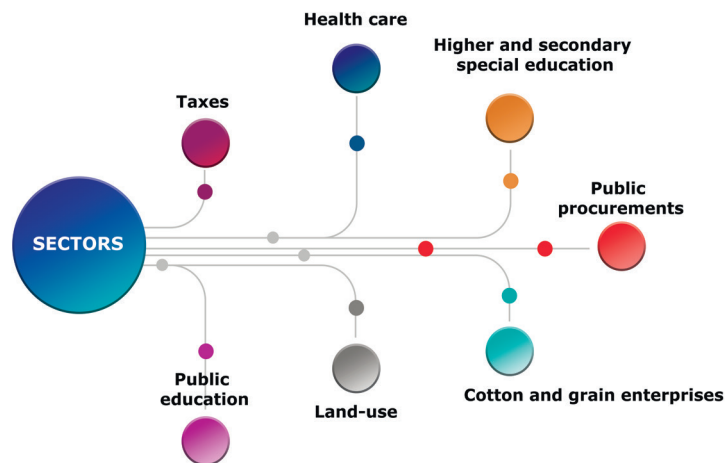
"Combating corruption and crime, as well as effective solution of issues of crime prevention, is one of our priorities".

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

Based on tasks "Combating corruption should become a task not only of law enforcement or other state agencies, but also the daily task of every citizen", work is carried out systematically to increase the legal consciousness of the population in this field.

Sectors in focus to prevent corruption



The adoption by the head of the state of the Resolution 'On measures to further improve the system of prevention and combating crime' is highly important in preventing and combating crime.

According to this resolution, the main tasks of all law enforcement agencies are not only to identify crime and punish the perpetrators, but to prevent violations of the law in a timely manner.

Also, a system of regular reporting of hokims (heads of administrations), officials of prosecutors' offices and internal affairs at all levels to the population has been introduced.

In order to improve the criminal situation in the society and prevent crime, **every Thursday is declared "the Day of Crime Prevention"**.

Certain work has been carried out on the wide introduction of information and communication technologies in the prevention and combating crime. In particular, work has begun on the introduction of the conceptual project "safe city" in Tashkent, "safe tourism" in Samarkand, Bukhara, Khiva and Shakhrisabz, "safe recreation" in Parkent district.

Establishment of close cooperation with the population and the public resulted in the fact that in **1,243 mahallas** no crimes have been committed.

Following the visits to each mahalla and household, conversations and study of the situation, it was managed to harmonize relations in **over 22 thousand** families, and to prevent divorce in more than **11 thousand** families.

The system of internal affairs bodies has been completely transformed. Over **30** new legal acts focus on the improvement of the system and elimination of the amassed serious shortcomings and problems in the operation of law enforcement bodies. They paved the way for the construction of a unified legal system of protection of the rights and freedoms of citizens and their legitimate interests, preservation of public order, prevention of offenses, ensuring security of individuals, society and the state.

Particular attention is paid to increasing the responsibility of district law infringement prevention inspectors. Here the main emphasis is placed on their material and social security. **More than 1,500** inspectors have been provided with cars and housing.



**DEVELOPMENT
AND LIBERALIZATION
OF THE ECONOMY**



The measures aimed at strengthening of macroeconomic stability

2017 has marked fundamental changes in the pace of social and economic development in the Republic of Uzbekistan. In accordance with the Action Strategy, economic development has shifted to a drastically new level, providing for the improvement of the wellbeing and quality of life of the population. The implementation of all reforms was built on the concept “Interests and human wellbeing are supreme value”.

In this regard, the emphasis is placed on further strengthening of macroeconomic stability, pursuance of tight monetary policy, ensuring the stability of the national currency and prices in the domestic market, as well as reformation of the fiscal policy.

SECTION 3 OF THE STATE PROGRAM ENVISAGES THE IMPLEMENTATION OF 77 ITEMS PROVIDING 105 ACTION. THEY STIPULATE THE DEVELOPMENT OF 70 REGULATORY ACTS, CONCEPTS AND ROAD-MAPS



Ensuring the timely implementation of
649 INVESTMENT PROJECTS
totaling **40 BILLION USD**



Implementation of the investment projects that make it possible to produce up to **3.7 million tons of coal a year**

Implementation of the project on the purchase of two high-speed
PASSENGER TRAINS “TALGO 250”



Construction of a **2,300 km fiber optic line**, installation of **1,843 base stations** of mobile operators, installation and launch of **66** powerful and **328** low-power digital TV transmitters in the territory of Uzbekistan



Reduction of cotton areas by **49,000 HECTARES** and grain areas by **10,000 HECTARES**. Planting of other crops in the released lands



Ensuring food security,
BOOSTING PRODUCTION OF FRUITS, VEGETABLES, potatoes, grapes, prevention of a sharp rise in prices in the domestic market

Establishment of the Commissioner for the Protection of Rights and Legitimate Interests of Business Entities under the President of the Republic of Uzbekistan
(Business Ombudsman)



Simplification of the sale procedure for unused public property, including
SALES AT A “ZERO” COST



Doing Business

Implementation of measures to step up the position of the Republic of Uzbekistan in the World Bank’s international rating **“DOING BUSINESS”**



Institution of **INNOVATIVE INDUSTRIAL PARKS** of small businesses in Yashnabad and Almazar districts of Tashkent

Rajan Madhu, President of the India-CIS Chamber of Commerce and Industry

“In a short time, Uzbekistan has managed to make a breakthrough in its development ahead of many countries in the world in terms of economic growth. There are favorable conditions for foreign investors, and a huge untapped potential in such areas as pharmaceuticals, textiles, information technologies, food processing, development, extraction and processing of mineral fertilizers”.

Specific and targeted comprehensive measures on liberalization of foreign exchange market have allowed **free conversion of the national currency of soum** since September 5, 2017.

All existing artificial barriers that prevent free circulation of foreign exchange resources of economic entities have been eliminated, and mandatory sale of foreign exchange earnings has been abolished. Legal entities are now entitled to freely purchase foreign currency to ensure the importation of products, and foreign investors – to freely repatriate their profits.

Citizens are also free to purchase or sell foreign currency for study or treatment abroad, tourist, business trips, or other purposes without any restrictions and on legal grounds.

The reforms have been positively estimated and recognized by the leading financial institutions like International Monetary Fund, World Bank and Asian Development Bank.

The control over inflation and stability of prices for consumer goods on the domestic market has been strengthened. The price stabilization fund, which was established on the domestic market for these purposes, is equivalent to **100 million US dollars**. An additional **70 million US dollars** was allocated to purchase important and vital medicines.

Customs duties rates have been **REDUCED TWICE** with a view to further liberalization of foreign trade and development of an effective market economy.

Customs duties on more than **8 thousand** titles of imported products have been significantly reduced. In particular, duties on **3,550** titles of imported goods and excise taxes for **1,122** types of products have been applied at “zero” rate.

“The Government, state bodies and municipalities of all levels will deal with priority tasks to reduce the state’s interference in the economy to a strategically sound level, and address the issues relating to the further development and protection of private property”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

The Government, ministries, Central Bank and other organizations regularly and transparently started publishing statistical and analytical information on macroeconomic indicators of economic development, on the state budget performance, on money turnover, and on the country’s gold and currency reserve, in line with international standards.

When creating favorable conditions for business entities, streamlining the business environment and developing small business and private entrepreneurship, the Government was guided by the well-known concept “The state is wealthy and strong if people are rich”.

In this context:

First, unscheduled inspections of business entities were cancelled. It is prohibited to deprive business entities of the right to engage in entrepreneurial activity as a punishment. The annual World Bank report ‘Doing Business 2018’ rated Uzbekistan among the top ten states reporting the most favorable conditions for doing business, which is the result of ongoing reforms in the country;

Second, the list of public services and the procedure of registration of business entities was revised. Their number and the time needed for registration was reduced;

Third, the Chamber of Commerce and Industry was completely restructured, and an institution to protect the rights and legitimate interests of business entities (Business Ombudsman) was established under the President of the Republic of Uzbekistan. The State Fund for Support and Development of Entrepreneurial Activity was also founded;

Fourth, in 2017, Uzbekistan has fundamentally revised the approaches of commercial banks and their branches to work with business, as well as with the population in mahallas, with the focus on youth and its involvement in entrepreneurship.

The cutback of state interference in the economy and scale up of the role and importance of the private sector is another important area of economic reforms.

Meanwhile, certain progress has been achieved through the close cooperation with privatized enterprises, building their capacity, fundamental changes in the approaches to state property management:

First, the state introduced a new practice of post-privatization support to idle enterprises by developing investment projects on their rehabilitation.

Entrepreneurs are now entitled to establish new production facilities on the basis of already existing ones that are idle or do not operate at full capacity. This, in turn, made it possible to develop highly liquid investments and create thousands of new jobs. Financial support for the abovementioned projects is the reason behind the establishment of a specialized Fund for Support of Privatized Enterprises, which has already opened credit lines.

“Another important mission is to support and stimulate the small businesses and private enterprises, further increase the role of this sector in the augmentation of the country’s economic strength, bolstering peace, stability, and consensus in society. There is probably a reason behind the belief that entrepreneurs work for not just their own and family benefit, but for the benefit of the entire nation and the state. I will keep repeating a simple, but vital concept: if the people are rich, the state will be rich and strong too.

Therefore, the impediment to the development of entrepreneurship will henceforth be regarded as impediment to state policy, the policy of the President”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

Second, the state significantly expanded the practice of transfer of state property objects to business entities at “zero” cost with the adoption of investment obligations and a commitment to create new jobs.

To date, 509 objects have already been transferred to entrepreneurs at “zero” cost under the terms of attracting investments, giving way to creation of thousands of new jobs.

Third, in 2017, 45 new small industrial zones have been created on idle and inefficiently operated large objects and land plots, as a result of which **THEIR TOTAL NUMBER HAS REACHED 75**. The investment projects in SIZ were aimed at the establishment of manufactures of marketable industrial products.

Regions have also undergone socio-economic changes with a priority to the establishment of new jobs and creation of decent conditions for people's livelihoods.

“Ensuring of human interests is closely bound with another important issue, that is, raising the level and quality of life in rural areas, which are home to more than half of the country's population. Therefore, we will keep focusing on the enhancement of reforms in agriculture, effective use of land and water resources, and the introduction of advanced technologies”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan



Development and liberalization of the economy

The methods fundamentally changed for reducing the level of state presence in the economy, increasing the role and importance of the private sector in the national economy, increasing the efficiency of activities of privatized enterprises



A new system of post-privatization support of the private sector was introduced into practice - the state began to assist in the development of investment projects to restore the activity of idle enterprises



2.5 trillion soums of investments absorbed



more than 25 thousand new jobs created



credit lines opened amounting to 45.8 billion soums



The practice of providing business entities with objects of state property at zero cost has been significantly extended with the acceptance of obligations to make investments and create new jobs



509 objects transferred to private ownership at "zero" cost



639.8 billion soums introduced for the implementation of investment obligations



more than 10,9 thousand new jobs created



Over the past year, new small industrial zones have been created on the basis of large inactive, empty and inefficiently used facilities and land plots



75 small industrial zones created



1,021 investment projects implemented worth almost 510 billion soums

Implementation of social and economic development programs in regions

In 2017, the Government approved **more than forty** programs on the development of the Republic of Karakalpakstan, regions and the city of Tashkent, as well as certain districts and towns.

In order to ensure the implementation of programs, as well as fuel the economic growth of regions and create permanent new jobs in 2017-2018, **2,077** new promising projects were approved in services, industry and agriculture.

1,619 industrial enterprises were established in the districts of the Republic of Karakalpakstan and the Khorezm region, which is **1.2 times** more than last year. Tax privileges ranging from **five to ten years** are applied to new enterprises, including exemption from property tax, land taxes, the tax provided for landscaping, as well as from the contributions to the Republican Road Fund. **47** private enterprises that were established in remote areas and received microcredits, were exempted from the taxes applied in the first six months of activity.

The approach to the development of the engineering and communication infrastructure of the regions has been radically transformed. The needs of the population assume a greater importance. **2,700** km of highways have been repaired for the first time in recent years. Public funds have been invested in the construction and overhaul of **5,100** km of low voltage electricity networks.

Local government authorities supervised the introduction of a new system of opening business, which assumes a division into sectors on integrated social and economic development of the regions of the Republic of Karakalpakstan, regions, districts and cities, attached to the Prime Minister of the Republic of Uzbekistan and his deputies.

“We should ensure that the current system of critical analysis of the implementation of major socio-economic programs, targeted programs by sectors and regions, priority investment projects and other urgent objectives, works yet more effective”.






Shavkat Mirziyoyev
President of the Republic of Uzbekistan

Development and liberalization of the economy

The accountability to the public, unquestioned fulfillment of tasks on the improvement of the conditions and quality of life is now ensured by a new action system **“mahalla - district (city) - region – republic”**.

The joint cooperation of the executive and representative authorities of the central board of local state government bodies ensured concerted action in addressing the problems that need to be tackled in the regions. Meanwhile, the identification of urgent problems in mahallas through house-to-house visits by sector representatives in charge, as well as meetings with the population, prove key in making proposals to the district (city) development programs.

Territorial social and economic policy has been completely changed, placing emphasis on creating jobs in the regions and ensuring decent living conditions for people

-  **11 programs** on social and economic development of the Republic of Karakalpakstan, regions and the city of Tashkent adopted, as well as **36 development programs** for certain regions and cities
-  **Particular attention is paid to the accelerated development of the lagging and labor-surplus regions of the republic**
-  **From July 1, 2017, in the city of Tashkent and districts of Tashkent region, a new system was introduced as an experiment to increase their interest in expanding the revenue base of local budgets through the granting of the right to independently dispose of their own incomes**
-  **Approaches radically changed to the development of the engineering and communication infrastructure in region, which focused on the vital needs of the population**
-  **A completely new system of organization of work on the ground was introduced, providing for the division of the territories of the Republic of Karakalpakstan, regions, districts and cities into **sectors** of complex social and economic development.**

Creation of free economic zones, industrial parks, small industrial zones is seen as the main factor for direct attraction of foreign investments, creation of new high-tech production, and effective use of the natural and economic capacity of the regions.

In 2017, the President of the Republic of Uzbekistan Shavkat Mirziyoyev visited all regions of the country to study the progress of social and economic reforms in the localities, have a close look at the works on improvement and construction for the better level and quality of life of the population, and works on the development of specific targeted programs on social and economic development in regions.

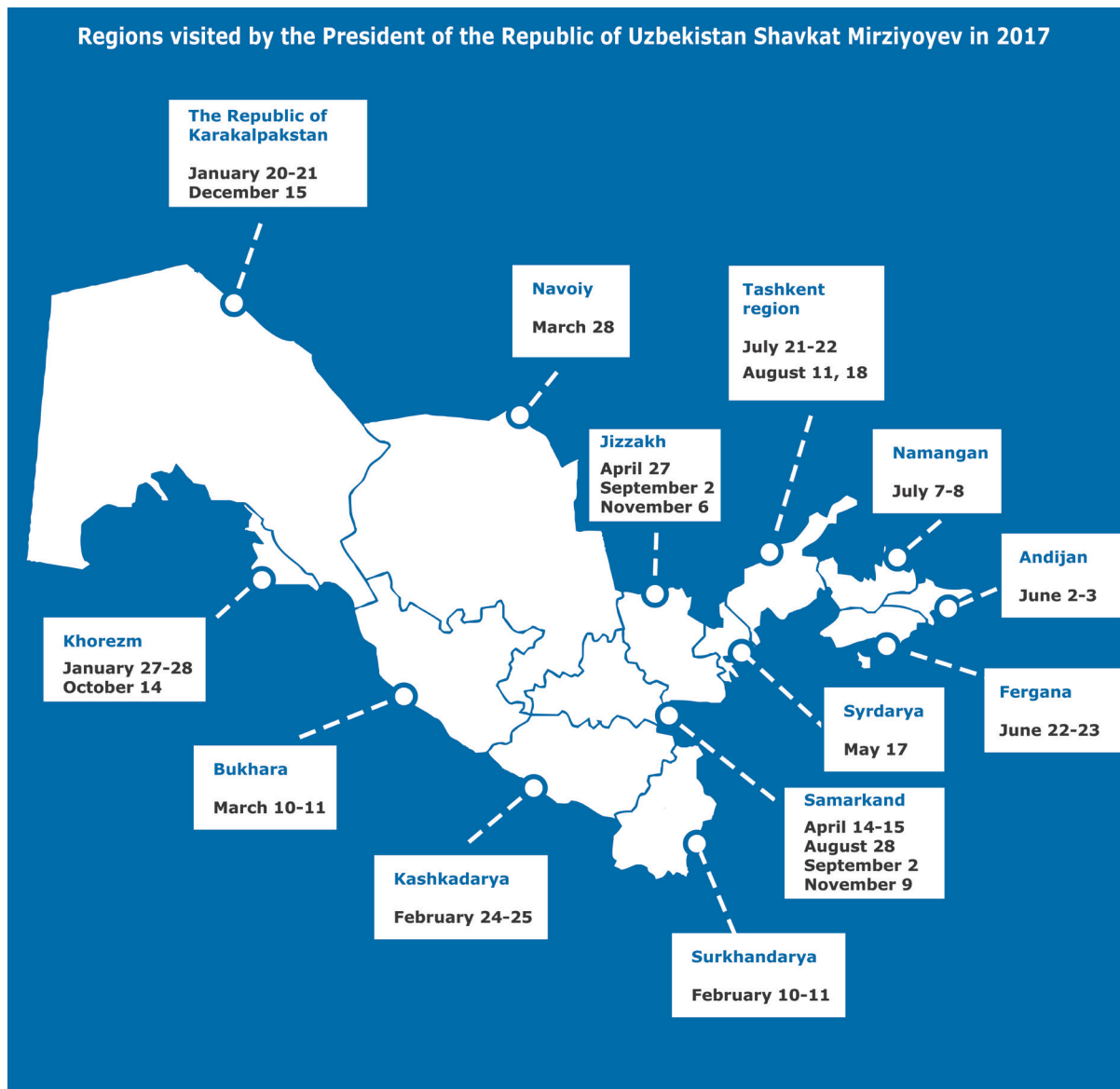
Strategies of social and economic development of each region were approved upon each visit.

“Henceforth, we will visit every district and town, even the remotest villages and settlements. We will listen to wishes and concerns of people, develop programs to address them, establish strict control over their implementation”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan





The creation of free economic and small industrial zones, technology parks has become an important factor in attracting foreign direct investment



11 new free economic zones have been created and 108 projects have been launched for a total of \$ 419.5 million

27 projects are being developed in seven pharmaceutical free economic zones created in regions with unique soil and climatic conditions for the cultivation of medicinal plants, with a total value of more than \$ 403.7 million



For the successful operation of free economic zones, a special Program has been launched for the advance development of their transport, production and engineering-communication infrastructure with a total cost of 320 billion soums.

Aiming to mitigate the negative consequences of the sharp devaluation of the national currency rate, relevant legislative and regulatory documents have been adopted to provide a financial support for enterprises in the basic sectors of the economy. In particular, accounts receivable and accounts payable, which accrued over several years, were restructured for enterprises of oil, gas, chemical and energy industries. The excise tax calculated on oil products was retained by oil refineries. Also, the Fund for Reconstruction and Development of Uzbekistan has taken measures to allocate preferential loans.

More than 7,000 production facilities were put into operation, and the production of more than 100 new types of products was established at new industrial enterprises. As a result, the share of the processing industry in the total share of industry made up over **80%**, and labor productivity **INCREASED BY MORE THAN 6%**.

The implementation of large investment projects based on enhanced processing of local raw materials and aimed at the establishment of new high-tech industries allowed disbursing **67.4 trillion soums** of capital investments.

Special attention has been paid to the implementation of programs for the modernization and diversification of industry, the introduction of new technologies, the in-depth processing of local raw materials



a decision has been taken to provide financial support to enterprises in the basic sectors of the economy in order to mitigate the negative consequences of the accelerated devaluation of the national currency



in 2017, new production capacities have been put into operation at 7,400 newly established industrial enterprises, and production of more than 150 new products was mastered. As a result, the share of manufacturing in the industrial sector exceeded 80%, and labor productivity increased by 5.6%



implementation of major investment projects within the investment program for the creation of new high-tech industries for the profound processing of local raw materials made it possible to absorb about 64.5 trillion soums of capital investments

in 2017, modern 161 major production facilities have been put into operation, which include:



enterprise for the production of agricultural and automobile tires;



early commissioning of the Kandym gas processing plant, which will provide additional extraction and processing of 5.6 billion cubic meters of natural gas;



a modern plant for the production of cold-rolled steel in Tashkent region is being built at a rapid pace, the introduction of which will reduce the country's dependence on the import of sheet metal





The following measures have been taken to improve the investment climate, liberalize foreign economic activity and support exports:

First, Uzbekistan changed the approaches to establishing relationships with partner countries and international financial institutions. During the high-level visits to the People's Republic of China, the Russian Federation, the United States, Republic of Korea, Turkey, the Republic of Kazakhstan and the Republic of Kyrgyzstan, Uzbekistan signed bilateral agreements on the development of trade, economic and investment ties.

The relationships with the European Bank for Reconstruction and Development have been fully restored. In turn, the bank allocated a credit line of **190 million USD** for the support of small business and private entrepreneurship. The sides developed more than **20** projects in different areas. The republic established cooperation with the European Investment Bank and the French Development Agency. Along with that, Uzbekistan has become a full-fledged member of the new Asian Bank for Infrastructure Investments.

Ensuring the formation of a favorable investment climate, liberalization of foreign trade, as well as export support



The approaches to cooperation with partner countries and international financial institutions have been radically changed. During visits at the highest level, bilateral interstate agreements on the development of trade, economic and investment cooperation were signed with:



The People's Republic of China
worth \$ 23 billion



Russia
worth \$ 16 billion



The Republic of Korea
worth \$ 10 billion



Turkey
worth \$ 3.5 billion



Kazakhstan
worth \$ 2.2 billion



Kyrgyzstan
worth \$ 455 million

Development and liberalization of the economy

Second, all artificial barriers in foreign economic activity were abolished. The republic introduced a procedure of exports without preliminary payments and guarantee obligations. Obsolete approvals were cancelled. Mechanisms of export of agricultural products were simplified. As a result of the measures taken, the volume of exports increased by **11.3 billion USD (126%)** comparing with the previous year. The foreign trade surplus amounted to **519.5 million USD**.

The bulk of exports goes to the Russian Federation, the Republic of Kazakhstan, Kyrgyzstan and Tajikistan in CIS, and to the People's Republic of China, Turkey, Iran, Afghanistan, Republic of Korea and France as far abroad partners. The positive dynamics of export growth was achieved with all the above mentioned states.

The bulk of exports falls on such countries as:



Russia
(\$ 1800 million)



Kyrgyzstan
(\$ 150.1 million)



China
(\$ 1742 million)



Afghanistan
(\$ 474.7 million)



The Republic of Korea
(\$ 201,8 million)



Kazakhstan
(\$ 905.5 million)



Tajikistan
(\$ 150.2 million)



Turkey
(\$ 692.2 million)



Iran
(\$ 194.1 million)



France
(\$ 170.2 million)

Adolfo Romero, General Manager of ESKZ Global Consulting Company, Spain:

“Currently, the government of Uzbekistan has been spearheading active investment policy, showing readiness to expand business ties with foreign partners. In this context, the ideal time has come to invest in the market of Uzbekistan, with its diversity of natural resources, a well-developed infrastructure, advanced industry and ample engineering opportunities. Uzbek and European companies are capable of establishing and expanding cooperation in a broad range of areas, including transfer of best practices and know-how for the development of joint projects. The Spanish business community should be determined on its way toward the rapidly evolving market of Uzbekistan. For instance, the lack of experience of cooperation with local partners, which is seen as one of the main problems for foreign investors, is no longer a deterrent.”

The largest exports growth rates fall to such products as vehicles, machinery and equipment, non-ferrous metals, food products, as well as textiles and textile articles. At the same time, Uzbekistan increased exports of fruit and vegetable products, both in value (592,6 million USD,) and in quantity (831.7 thousand tons of products).

Today, over 78% of products in the structure of exports fall to the processing industry.

In particular, the share of products in exports with high added value **HAS GROWN FROM 28.5% TO 34.5%**, export of household electrical products **HAS INCREASED BY 2.4 TIMES**, exports of cars **HAS INCREASED BY 3 TIMES** and textiles **GREW BY 1.3 TIMES** respectively. Exports of leather and footwear increased **by 14.2%**.

“Of course, I am fully aware of the extent of versatility and complexity of the changes we have planned. However, no matter what obstacles and difficulties, acute and urgent problems we encounter, we have no right to take hasty decisions, allow reckless steps and rash actions”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan



Modernization and development of agriculture

A certain work has been done to modernize and intensively develop the agricultural sector, reform the agriculture and ensure the country's food security.

The Action Strategy 2017–2021 defines specific tasks on upgrade of agriculture and other industries in Uzbekistan, the consistent implementation of which promotes the achievement of progress in this field.

More than **20 resolutions** and decrees, and **five** laws have been adopted in agriculture in 2017. **Two** new committees and **three** associations have been established, and activities of the Ministry of Agriculture and Water Resources has been streamlined.

The position of a Deputy Governor for agriculture and water economy has been instituted in regional administrations. The Council of Farmers of Uzbekistan has been reorganized into the Council of Farms, Small Economies and Landowners of Uzbekistan .

This year, Uzbekistan produced over **8,377 million** tons of grain, **2,9 million** tons of cotton, **12,450** tons of silk products, **500,800** tons of rice, **22 million** tons of fruits and vegetables, and **12,3 million** tons of meat and dairy products.

Vegetables, potatoes and other crops have been planted on almost **a million** hectares of the areas released from grain. As a result, more than **5,5 million** tons have been produced this year.

The system-based measures on increase of farmers' incomes, diversification of agriculture, further rational use of land and water resources, and production of export-oriented products gradually prove their effectiveness today.

For example, cabbage, various vegetables and greens have been grown this year on **32,000** hectares out of **96,000** hectares of low fertile land instead of grain and cotton, and tons of products were exported. Intensive gardens and new vineyards have also been created on **11,000** hectares, and greenhouses have been built on **1,500** hectares.

Experts applied best practices of such countries as Spain, Poland, Netherlands, Greece, Russia, China, South Korea, Turkey, Vietnam and Indonesia in this process.

For the first time ever, Uzbekistan has adopted sowing of the unconventional culture like saffron, and expanded soybean plantations.

The republic processed **132,000** tons of agricultural products, exported finished goods for **\$100 million**, and over **724,000** tons of fresh fruits to a total of 865 million dollars.

Programs on livestock development have empowered the establishment of numerous fish farms, beekeeping, poultry farming economies, as well as large and small cattle farms. A new horse breeding complex was built in Kashkadarya region to breed the Karabair horses, and develop equestrian sports. Similar complexes are currently being built in the Tashkent region and other regions of our country.

Specialists are rehabilitating disappearing traditions that are seen as important in terms of enhancing the fertility of sericulture. It is worth noting the introduction of an absolutely new system of growing such precious feedstock as silk. The Uzbekipaksanoat Association has been established in this sector on an entirely new platform. This year, Uzbekistan has also piloted a practice of two-time harvesting per year, which has brought positive outcomes.

In order to ensure processing of silk raw materials and produce finished products, each region draws direct foreign investments. As a result, **10** silk processing enterprises have been launched this year alone.

Uzbekbaliqsanoat Association was established to restore the fish industry. Its system has incorporated **3,600** fish farms. **Over 100,000 tons** of fish has been grown throughout the year on **580,000** hectares of natural reservoirs, and **28,000** hectares of artificial reservoirs.

Development of another important area, the beekeeping industry, was empowered by the Union of Beekeepers of Uzbekistan, which has incorporated **more than 14,000** entrepreneurs engaged in apiculture.

The amount of funds allocated from the state budget to support the farms, which grow cotton for state needs on low fertility lands, is growing year by year. In 2008, it allocated 80 billion soums for these purposes, while this year the funds have amounted to **300 billion** soums.

As a result of the labor-intensive actions throughout the year, the timely and quality agrotechnical measures, **1,121** farmers harvested on average of over **50 metric centners**, **2,130** farmers met the standard of **45 centners**, and **7,208** farmers harvested **40 centners**.

The introduction of water-saving technologies is well supported through additional benefits and preferences to enterprising farms and enterprises. As a result, such technologies have been introduced on almost **240,000** hectares, including **28,000** hectares of drip irrigation technologies.

In the field of modernization and intensive development of the agricultural sector



The intensive technologies of walnut and pistachio cultivation on rain-fed lands using the drip irrigation system have been mastered. **7,400** greenhouses have been created on an area of **570 hectares**.



3,000 projects in animal husbandry and poultry farming have been implemented



On **3,000** hectares of natural and artificial reservoirs, fish farms have been created, **100,000** tons of fish produced





STRATEGY OF ACTIONS
2017-2021

**DEVELOPMENT
OF SOCIAL SPHERE**



Development of social sphere:

In the social track, guided by the principle “Everything for the good of the people”, a number of priority areas have been identified, aimed at improving the quality of life of the population.

Taking into account the real needs of the population in cities and regions, as well as their national traditions, special attention is paid to housing construction and the expansion of relevant infrastructure networks.

In particular, a project has been developed for the regions on the construction of 2 and 3 room apartment houses with land plots, including the ones intended for young families. This, in turn, contributes to an optimal reduction in prices and makes housing affordable for all segments of the population in the regions.

SECTION 4 OF THE STATE PROGRAM ENVISAGES THE IMPLEMENTATION OF 99 ITEMS PROVIDING 126 ACTION. THEY STIPULATE THE DEVELOPMENT OF 100 REGULATORY ACTS, CONCEPTS AND ROAD-MAPS



Provision of financial assistance to
55,000 UNEMPLOYED PENSIONERS
(former employees of enterprises)



Provision of **FREE RESORT TREATMENT**
for at least 35,000 veterans of war and labor
front of 1941-1945, retired professionals, people
with disabilities, lonely elderly and
representatives of other low-income population

Provision of prosthetic and orthopedic
appliances and rehabilitation tools
for at least **10,000 PEOPLE WITH
DISABILITIES AND LONELY ELDERLY**



Construction of **15,000 ITEMS OF
AFFORDABLE STANDARD
DESIGN HOUSING** in rural areas



Construction of supply networks of **potable water** (415.3 kilometers), **electricity**
(291.5 km), **natural gas** (316.9 km), **roads** (291 km) and trade infrastructure objects
(134) in new rural residential areas

Optimization and revamp of **242 FARM MARKETS** and construction
of **40 MODERN HYPERMARKETS, 63 SUPERMARKETS AND
139 MINIMARKETS** on their territory



**RECONSTRUCTION OF 106 AND OVERHAUL OF 195
PRESCHOOL EDUCATION INSTITUTIONS.** Strengthening
of logistical capacity of 367 secondary schools across the
country



Development of social sphere



According to the adopted program for the construction of new, modern multi-story buildings in the cities, five and seven-story houses have been commissioned.

Special attention is paid to improving the infrastructure of newly built cities and rural regions.

On the basis of public-private partnership in 2017, a number of cities have created complex clusters for the processing of domestic waste. The creation in each district and city of such enterprises as the Clean Zone has contributed to a significant improvement in the quality of services to the public. Funds have been allocated from the state budget for the construction and repair of thousands of kilometers of inner roads.

Expanding the scale of housing and infrastructure construction



new dwelling types have been designed specifically for rural areas: **two-room and three-room houses** with optimal land plots were built for young families, thereby decreasing their cost to the level affordable to all categories of rural population. The number of houses under construction **has been increased from 3,000 in 2016 to 24,000 in 2017**



the republic has adopted a program of urban multistory residential housing construction. It is scheduled to commission **191 five-story houses**, and a seven-story building by the end of 2017. As a result, **over 33,000 families** will be provided with comfortable apartments

over 33,000 families, including 7,000 young families, have moved to their own houses in 2017



integrated waste processing clusters have been established in 14 cities in 2017 on the basis of state-private partnership



state funds have been invested in the construction and revamp of **2,700 km of internal residential roads**. **Over 5,000 km of low-voltage power networks** have been commissioned

Special attention is paid to providing the population with clean drinking water. In particular, the Ministry of Housing and Communal Services was tasked to cover the whole population of the republic with centralized water supply.

In 2018, for these purposes, it is planned to allocate 584.7 billion soums from the funds of the newly created Clean Drinking Water Fund under the Ministry of Finance of the Republic of Uzbekistan.

GOAL

Ensuring the coverage of the population by centralized water supply in the republic from the current 63% to 70% in 2021



in the current year, 712 water supply projects for settlements have been implemented, which allowed to improve the living conditions of 300,000 people



in 2018 it is planned to build 1,400 km of water supply networks and about 757 water facilities are planned to reconstruct and construct. As a result, 1.5 million people living in 727 settlements will be provided with potable water supply and sanitation



for these purposes it is planned to attract credit funds of international financial institutions in the amount of \$ 3.1 billion within 36 projects, of which 4 projects have been launched in 2017



Providing the population with clean drinking water is a decisive factor in a healthy lifestyle and stable health maintenance of the population

In the field of public health:

In 2017, the President of the Republic of Uzbekistan Shavkat Mirziyoyev held **four video-selector meetings** addressing the health issues. During these meetings, clear instructions were given to radically improve the operation of this system, eliminate problems and shortcomings.

According to the instructions and recommendations of the head of state, a number of specific measures were taken to develop the health care system.

In particular, about **30** decrees and resolutions were adopted aimed at further development of the healthcare sector, increasing the range and quality of medical services.

First and foremost, inefficient health units have been reduced in rural areas and replaced by **793** rural family polyclinics, functioning around the clock.

The number of cases of tuberculosis has sharply decreased. Specialists of republican specialized medical centers traveled to regions **2,407** times, meanwhile, in 2016 this indicator was slightly more than 500 times. If last year, 30 thousand people used their services, this year this figure reached **220,000**.

The scale of the work on training specialists for the sector is expanding. The number of admission quotas for the training of physicians with higher education has been brought to **3445**, of which **1180** are targeted regional quotas. Quotas have also been increased for training in clinical residency.

As part of the ongoing reforms, about **700** physicians in rural areas were provided with official housing.

Ambulance stations are provided with specialized vehicles, equipment and devices, and also the amount of medicines allocated to them has been **INCREASED 2 TIMES**. If in 2016 the country ran 806 ambulance stations and substations, in 2017 this figure **EXCEEDED 2,100**.

In order to provide specialized high-tech medical assistance, branches of the Republican specialized centers have been opened in the regions of the country.

More than thousand specialists from the regions have undergone retraining in the republican centers to improve their skills. Professional help was rendered by qualified specialists from the capital, carrying out examinations of patients in rural areas, who needed urgent surgical help, performed operations, and also prescribed treatment for patients with serious diseases. Along with this, foreign specialists were invited, who conducted complex operations and master classes.

A new system has been introduced for provision with socially significant medicines and medical products

at an uninterrupted and accessible level, and for their purchase the Ministry of Health allocated **more than 500 billion soums** from the state budget.

The amount of funds allocated for the purchase of medicines and medical products made **821 billion soums**. This is **3.5 TIMES MORE** than in 2016.

At the same time, the volume of attracted foreign investments is growing. If in 2016, \$ 40.2 million was disbursed, this year this figure **REACHED \$ 93.5 MILLION**.

The Foundation for Development of Nongovernmental Medical Institutions was created, which received **14 million US dollars** to arrange its activities. Over the past period, the number of private medical institutions has increased to more than 400, and the total number reached **3,860**.

With the adoption of the Decree on strengthening the development of the private sector in the health care system, the types of medical specializations that can be used in private medical institutions **HAVE INCREASED from 50 to 126**. Following these measures, joint clinics are being set up, in particular in Tashkent with South Korea, India, Turkey, in Jizzakh with South Korea, in Ferghana, Qarshi and Kumkurgan district with India. Tax and customs privileges have been extended until 2022.

At present, regional branches of republican specialized centers are being created. More than **99** doctors from Uzbekistan working in foreign clinics have returned to Uzbekistan.

Within the framework of the Presidential Order on improving the system of state support for disabled people, **8,400** people with disabilities were provided with prostheses and orthopedic products, and more than **9,300** people with rehabilitation equipment. In addition, more than **23,000** war veterans of 1941-1945, lonely elderly people, pensioners and disabled people received free treatments in health resorts.

In the current year, people with disabilities received **2,6 trillion** soums of pensions and allowances. More than **1,200** low income people with disabilities and those in need for dwelling, have signed contracts on allocation of concessional accommodation, and **over 22 billion soums** have been allocated as one-time payments. Women with disabilities and limited working capacity have been provided with **more than 6,500** free wheelchairs, and **nearly 1,600** free hearing aids.

Taking into account public response, the Decree 'On measures to fundamentally improve the system of state support for people with disabilities' has provided additional benefits and opportunities for them.

Adoption of the Decree of the President of the Republic of Uzbekistan "On the establishment of Nukus Farm, Zomin Farm, Kosonsoy Farm, Sirdaryo Farm, Boysun Farm, Bostonliq Farm and Park Pharm free economic

Development of social sphere



1,373 ineffective primary care health units have been reduced in rural areas, in place of which **793** rural family polyclinics and more than **441** ambulance stations launched



in **2017**, ambulance departments have been provided with **1,200** specialized vehicles, instruments and equipment. The volume of medicines allocated to them has doubled



branch offices of republican specialized centers were opened in **13** regions. Over **1,200** regional specialists underwent advanced training in the republican centers



more than **3,000** qualified specialists with on-site visits to the regions conducted about **200,000** medical examinations. They carried out high-tech operations and treatment for more than **500** patients



more than **200** foreign specialists conducted **350** operations and more than **80** master classes in the regions



the total number of nongovernmental medical institutions reached **4,000**

In order to ensure continuous provision of the population with **343** items of socially important medicines and medical products at affordable prices, a new system has been introduced and additional budgetary funds of more than **500** billion soums allocated to the Ministry of Health for their purchase



zones” contributes, first of all, to the further development of the pharmaceutical sector in the country, the support of manufacturers of medicines and medical equipment, the expansion of the domestic pharmaceutical market through high-quality medicines of local production. As a result, export volume of medicines and medical equipment increases.

With the aim of improving the conditions for development of pharmaceutical industry the Agency for Development of Pharmaceuticals has been established under the Ministry of Health of the Republic of Uzbekistan.





Science and education:

“We must do our best to maximize strength and capabilities of our state and society so that our young people have independent thinking, high intellectual and spiritual potential, in no area inferior to their peers from other countries, and be happy and confident of their future”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

About 70 decrees, resolutions and orders of the President of the Republic of Uzbekistan and the Cabinet of Ministers have been adopted this year aimed at improving the education system. This has triggered the process of reforming and improving education system.

First of all, a **5-year** program was adopted to reform the system of preschool education. Only this year **more than 300** preschool educational institutions were reconstructed and overhauled. Thanks to the state budget and international grants, more than 1,000 nurseries have been equipped with modern furniture and provided with developing games and necessary equipment.

A specific five-year program was approved to transform the preschool education sector



302 preschool education were overhauled and reconstructed



1,200 nursery schools were supplied with new furniture, developing games and tools through the government budget funds and international grants

A specific ministry was established taking into account high relevance of nursery schools in child education. It is entrusted with fundamental and structural reorganization of the preschool education system, and ensuring the coverage of children by institutions of this kind

Taking into account the importance of the role of preschool education in the formation of a healthy and comprehensively advanced personality, a new ministry was established, which is entrusted with the tasks of radical structural reformation of the preschool education system and full coverage of children by these institutions.

“We consider our primary task is the improvement of the work of all sectors of the system of education and upbringing on the basis of modern requirements”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

The school system has been completely revised. Following the discussions with experienced teachers, parents and students, the 9th graders have got the opportunity to choose where to continue their further studies in college, lyceum or 10-11th grades.

In the new academic year, almost 70% of school pupils preferred to continue their education in schools. In order to form the educational process in the 10th grade, **22,000** new teachers were employed, as well as **8.5 million** copies of teaching materials and manuals in seven languages were published.

Construction and repair works were carried out in **486** schools, **234** of which received new buildings instead of adobe learning blocks. About **8,000** classes in **900** schools received new desks, and more than **400** schools opened modern IT classes with interactive equipment, as well as **17** specialized boarding schools for children with disabilities were overhauled.



A **five-year program** was adopted on radical improvement of the system of higher education, training of specialists of international standards, and integrated development of the system. In accordance with this, construction and repair works have been made this year in several higher educational institutions. They were fitted up with modern equipment and training laboratories were opened. In particular, the building of the Alisher Navoi University of Uzbek Language and Literature was reconstructed.

Improvement of the Higher Education System

The **five-year Program** on Integrated Development aims at fundamental revision of the higher education and staff training system in line with international standards



in 2017, **18** higher education institutions have been overhauled and repaired, and **70** higher education institutions have been equipped with computers and modern university laboratories totaling **120 billion soums**



university admission quota has been raised by **15%**. Chirchik Pedagogical Institute, Termez branch of the Tashkent State Agrarian University, two regional branches of the Tashkent Technical University, Fergana branch of the Uzbek State of Culture and Art has established



reached agreements on opening branches of prestigious universities like **Russian National University of Science and Technology (MISIS)** in Almalyk, and **Webster University (USA)**

“We know and highly appreciate the merits of our intellectuals - scientists and technicians, first of all our esteemed academicians and professors, representatives of culture, literature, art and sports - in creating and multiplying this great potential. Comprehensive support for the scientific research and creative activity of these diligent people, the creation of the necessary conditions for them, should be our overarching priority. To this end, the government will develop and take specific measures”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

Taking into account the proposals made by the President during the meeting with representatives of the **Academy of Sciences of Uzbekistan** and leading scientists, a number of measures have been taken to increase and develop the field of science and education of the republic

In particular, **a 5-year program** on the integrated development of innovation activities and infrastructure of research institutions has been developed. It is projected to allocate **450 billion soums** for their repair and fitting up with modern laboratory equipment.

The Agency for Science and Technology was established, under which the Foundation for Support and Development of Scientific and Technical Activities started operating. The status of the Academy of Sciences was intensified, the branch of the Academy in Navoi was opened and the activities of **nine** scientific institutions were resumed.

According to international practice, a two-level system of basic doctoral and post-graduate doctoral studies was introduced.

In order to form a highly qualified teaching and pedagogical base, the Mirzo Ulughbek Specialized State School and the Garden of Astronomy and Aeronautics have been created by the relevant Decree of the President of the Republic of Uzbekistan.

Culture and sports

In 2017, extensive work has been done to improve the management system in the field of culture and sports, to increase the effectiveness of state policy in this sector, aimed at boosting the further development of culture, art and creativity of the people of Uzbekistan, involving a wide range of people in spiritual and moral development and healthy life style.

First of all, work in this area began with a thorough revision of the management system. So, according to the Decree of the President of the Republic of Uzbekistan of February 15, 2017 “On measures to further improve the management system in the field of culture and sports”, the Ministry of Culture and the State Committee on Physical Culture and Sports were established on the basis of the Ministry of Culture and Sports of the Republic of Uzbekistan.

In order to preserve and restore the national-cultural and spiritual heritage, the all-round development of art and artistic creativity, the Uzbekconcert State Institution and the Foundation for Development Culture and Arts have been established under the Ministry of Culture of the Republic of Uzbekistan.

In order to strengthen the ongoing work on the development and popularization of children’s sports, further strengthen the material and technical base of children’s sports facilities, improve the system of sports education and sport training, the Executive Office of the Children’s Sports Development Fund of Uzbekistan, **256** sports schools and sports boarding schools from the Ministry of Public Education were transferred under the supervision of the State Committee of the Republic of Uzbekistan for Physical Culture and Sports.



“We will raise to a new, higher level the work begun earlier to create the necessary conditions for our children, the construction of new educational institutions, cultural and art institutions, sports facilities, the construction of housing for young families, the employment of young people, and their wide involvement in business”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

CULTURAL SECTOR



The “Ilkhom” Public Foundation was established to provide overall support to creative personalities, who have made a remarkable contribution to the development of Uzbekistan



Theaters, creative organizations and associations, jointly with major enterprises, companies and banks created 25 “Friendship Clubs” and developed an action plan to build the logistical capacity of cultural organizations within their competence



The Center of Islamic Civilization was established to empower a profound research on the heritage of our great ancestors, who have tremendously contributed to the evolution of the Islamic culture, and the scholars who left a remarkable trace in the history of world science



National cinematography is facing changes too. The production of over 50 movies is scheduled by state order for 2018 and ahead

This year Uzbekistan athletes have participated in many international competitions and won more than a thousand medals.

We can proudly pronounce the names of our athletes, who became world and continental champions in 2017, including Shahram Giyazov, Rustam Djangabayev and many others.

This year, as an experiment, a mechanism has been introduced for our famous athletes – the Olympic and world champions, the opening of their own sports schools and corresponding conditions created for this.

“The main task is to create a new generation of managers and officials with high professionalism and modern thinking, able to make comprehensively measured, correct decisions, and achieve their goals”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

Development of physical culture and sports, promotion of healthy lifestyles



In 2017, athletes of Uzbekistan took part in

235 world competitions, winning

1,413 medals of different denomination



State youth policy



The historic meeting of the President of the Republic of Uzbekistan Shavkat Mirziyoyev with the youth of the country on June 30, 2017 marked a new stage in improving the effectiveness of youth policy.

The most important aspect is the initiative of the head of state to establish the public movement of the **UNION OF YOUTH OF UZBEISTAN**, which unites and involves young people of Uzbekistan to achieve great goals.

With a view to the consistent and effective implementation of the state youth policy, comprehensive support and reformation of the system for protecting the rights and legitimate interests of the youth, the President of the Republic of Uzbekistan signed a Decree "On Improving the effectiveness of state youth policy and supporting the activity of the Union of Youth of Uzbekistan".

It should be noted that over the past period of this year, dozens of legislative acts have been adopted in the country aimed at improving the effectiveness of state youth policy, in which, first and foremost, great attention is paid to strengthening the upbringing and support of young people.

First of all, youth services have been formed in all state authorities and mahallas. **June 30 declared in the country as Youth Day.**

The Institute for Youth Issues Research and Prospective Personnel Training at the Academy of Public Administration under the President of the Republic of Uzbekistan has been created.

A regular source of income has been identified to support the activities of the Union of Youth of Uzbekistan and a number of measures have been implemented to strengthen its material and technical base, including:

- in 2018, about **200 billion soums** will be sent to the Fund for Development of the Union of Youth of Uzbekistan at the expense of 8% of the amount paid by small enterprises as a single tax payment;
- in order to encourage the chairpersons of local councils of the Union of Youth of Uzbekistan, preferential loans for the purchase of cars and real estate are defined;

- a program has been prepared for the free distribution of empty college buildings in districts and cities of the republic, and creating there youth centers and modern cinemas with all conveniences, libraries and bookstores, as well as vocational training centers for young people up to 6 months free of charge;
- enterprises under the Union of Youth, which will teach various disciplines, including foreign languages, computer programming and business basics, are exempted for 10 years from paying all taxes with transferring **20%** of the savings to the Fund for Development of the Union of Youth of Uzbekistan.

Particular attention is paid to boosting the activities of young professionals and entrepreneurs, who are given tax privileges and preferences, including:

- income tax is **reduced by 50%** during the first year of work and by **25%** in the second and third years for young people;
- according to a specially developed program, more than 7,000 young families have their own housing, and from 2018 it is planned to build affordable houses for young people in all major cities - multi-storey, and in rural areas - 1-2 floor houses;
- a payment is determined from the Fund for Development of the Youth Union of Uzbekistan of an **initial mortgage loan** to active employees who have been enrolled for 3 years in the system of the Union of Youth of Uzbekistan;
- a payment system has been introduced for students of higher educational institutions - active members of the Youth Union, at the expense of the Fund for Development of the Union of Youth of Uzbekistan (**35%** of tuition with a high average performance indicator);
- **a monthly 50% wage increment** is determined to the activist, the leader of youth, in secondary specialized educational institutions;
- benefits have been established for activists of the Union of Youth of Uzbekistan to enter the higher educational institutions of the pedagogical profile on the basis of state grants, according to recommendations without passing test examinations and professional (creative) examinations;
- for active youth, the Mard O'ghlon state award and the Kelajak Bunyodkori medal have been established.



Ensuring women's rights and interests

"... we consider the most important task is to continue the active state policy aimed at protecting the health of mothers and children, providing women with work opportunities in accordance with their living conditions, alleviating their concerns, and increasing their role and place in the socio-political life of the country".

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

In order to ensure the employment of women in 2017, their wide involvement in business activities and comprehensive support, a number of activities have been carried out. In particular, for the support of women engaged in business, commercial banks have allocated loans, women with disabilities have been provided with sewing machines and provided with homework, and many of them have received new homes.

ENSURING WOMEN'S RIGHTS AND INTERESTS, CREATION OF DECENT CONDITIONS FOR LABOR AND LIFE, BUILDING THEIR CAPACITY AND POTENTIAL



The First National Business Forum of Women Entrepreneurs has been held



as part of the overall support for women entrepreneurs, commercial banks have allocated **2.2 trillion** soums of loans in 2017



705 women with disabilities have been provided with sewing machines and home-based work.
261 women received new dwelling



vocational courses have been organized for women living in remote areas of the republic under the State Program the "Year of Dialogue with the People and Human Interests"

Further strengthening the social protection of vulnerable segments of the population and respect for elderly people

In order to further strengthen the social protection of the most vulnerable segments of the population, the Federation of Trade Unions of Uzbekistan has been identified as the leading organization in this field, which has been given appropriate powers and rights, and a number of new mechanisms introduced, including:

- providing affordable housing for up to 5 families in each district and city of the country that do not have a dwelling or live in old houses;

- purchase of household appliances or cattle every year for on average 70 families of each district and city of the republic;

- among the main tasks is determined the paid medical services in case of serious illnesses and allocation of funds on a gratuitous basis to support an average of 6 low-income families from each district and city.



In order to further improve the social support for disabled people and elderly people living in Muruvvat and Sahovat Mercy Homes, sponsorship councils have been established to support their activities, and The non-budget the Charity Fund for Support of Mercy Homes has been established.

By the Decree of the President of the Republic of Uzbekistan of July 14, 2017, the Ezgu Maqsad International Charity Fund was established, whose activities are aimed at protecting the health of socially vulnerable segments of the population, providing support to orphans and children living in Muruvvat and Sahovat Mercy Homes.

An important event in this field was the adoption of the Decree of the President of the Republic of Uzbekistan of July 14, 2017 "On the establishment of the Mehnat Fakhriysi breastplate". This award is given to persons of retirement age for their accomplishments and many years of conscientious and fruitful work, as well as for non-working mothers who have dedicated their lives to the preservation of a strong family that have gained respect in society.



**1st degree
badge**



**2nd degree
badge**



**3rd degree
badge**

**ENSURING SECURITY, RELIGIOUS
TOLERANCE AND INTERETHNIC
ACCORD, PURSUANCE OF A BALANCED,
MUTUALLY ADVANTAGEOUS AND
CONSTRUCTIVE FOREIGN POLICY**



Actions to ensure security, interethnic accord and religious tolerance

The year 2017 proved to be truly productive in terms of strengthening the efforts to ensure security, interethnic accord and religious tolerance in the country.

The current situation was critically analyzed in a short time with an eye to vital interests of the multinational people of Uzbekistan, and their aspirations. New promising directions were identified in line with modern requirements.

SECTION 2 OF THE STATE PROGRAM ENVISAGES THE IMPLEMENTATION OF 28 ITEMS PROVIDING 29 ACTION. THEY STIPULATE THE DEVELOPMENT OF 13 REGULATORY ACTS, CONCEPTS AND ROAD-MAPS



Reorganization the **STATE BORDER DEFENSE** system of the Republic of Uzbekistan



Reforming the regulatory framework in **CYBER SECURITY** sector

Consolidation of system-based measures on mitigating the impact of the **ARAL SEA DISASTER**



Specification of major principles of building relationships with key **FOREIGN PARTNERS**



ROADMAPS on the development of cooperation with foreign partners



BOLSTERING THE INTERNATIONAL IMAGE of the Republic of Uzbekistan

CATALYZING PEOPLE'S DEMOCRACY, streamlining the Council of Friendship Societies, Cultural and Educational Relations of Uzbekistan with Foreign Countries



Ensuring security, religious tolerance and interethnic accord, pursuance of a balanced, mutually advantageous and constructive foreign policy

“First of all, we will pursue our foreign policy with an eye to comprehensive interests of our people and country. We will keep building up our foreign policy on such principles as non-interference in the internal affairs of other states, settlement of emerging conflicts and confrontations solely in a peaceful and political way. We will continue our effective cooperation with all countries of the near and far abroad, the entire world community. We will remain committed to a peaceful, open and pragmatic foreign policy”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

A unique unified system of continuous military-patriotic education was created on the basis of the principle of “Unity of the army and people”, ranging from republican schools to higher military educational institutions.

It paved the way to the establishment of a new Academy of the Armed Forces, and revision of the activity of military educational institutions. A new discipline of training of young men for higher military educational institutions was introduced in curricular of certain lyceums and colleges. Union of Youth also opened its primary branches within the Armed Forces system.

Uzbekistan has bolstered a national military and industrial complex. The establishment of the State Committee for Defense Industry, which incorporated all the specialized enterprises of the republic, was the first step in this direction. Experts considered the ways of creation of industrial capacities for military and other types of products jointly with foreign partners.

Social protection of the military, their family members, as well as veterans of the Armed Forces is of special focus. **56** houses were built for **1,200** military families within the framework of the housing construction program.

Specific organizational and practical measures helped to streamline the system of defense and protection of the state border.

The ways of addressing and preventing environmental problems, as well as protecting the population and territories from emergencies are always in the spotlight of the country’s authorities.

The State Program of Development of the Aral Sea Region in 2017-2021 was developed and is consistently implemented aiming to improve the living conditions and lifestyle of the population living in the regions of the republic. Its implementation envisages **8.4 trillion** soums of funding.

“The increasingly escalating bloody clashes and conflicts, threats of terrorism and extremism in certain regions of the world challenge us with constant vigilance. We will always spotlight such critical issues as ensuring security and inviolability of Uzbekistan borders, strengthening of the country’s defense capacity, preventing any destructive forces at our doors”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan



The Ministry of Finance established the Aral Sea Development Fund to ensure the guaranteed and stable financing of the Program actions.

Ministry of Emergency Situations streamlined its performance to improve the system of protection of the population and territories from natural and man-made emergencies. Today, it is a modern professional service of emergency early warning and provision of assistance in case of threat to life and health of people.

Certain measures have been taken to enhance management in press and information, develop national Internet content, and counter threats to cybersecurity.

The measures on the development of telecommunication networks allowed covering all the settlements of the republic with mobile network, reducing Internet costs, and bringing the number of users of the global network to **19 million** people.

A new version of the Single Portal of Interactive Public Services and the information systems complex "License" was launched. An Innovation Center for the Development and Support of Information Technologies was established. The two structures helped create conveniences for the population and entrepreneurs in using "single window" electronic services. Uzbekistan also established the national software production.

Expansion of terrestrial digital television network has been completed. This will help to completely cover all settlements with high-quality digital television broadcasting.

A round-the-clock "**O'zbekiston 24**" news channel and the **International Press Club** were launched. It is expected that the new structures will promptly and objectively cover events in Uzbekistan for residents and for the foreign audience.

Online journalism and social networks get developed considerably.

Certain measures were taken to counter extremism and terrorism, paying special attention to the issue of work with the young people affected by destructive ideas. The decision to rehabilitate **more than 16 thousand citizens** who have fallen under the influence of extremist ideas is a response to the current reality. To date, all those people have returned to their normal way of life and are contributing to the development and prosperity of the country.



STRATEGY OF ACTIONS
2017-2021



XALQARO
PRESS KLUB

“We will continue attaching paramount importance to the issues of further strengthening of friendship and solidarity in the republic, ensuring equal rights for all citizens regardless of their nationality, religion or belief. Here in Uzbekistan, we consider the dissemination of extremist and radical ideas that spread dissension between representatives of different nationalities as absolutely unacceptable”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

Imam al-Bukhari International Research Center in Samarkand and Islamic Civilization Center in Tashkent were established as part of broad promotion of the rich Uzbek scientific and spiritual heritage. Along with that, TV channel “O‘zbekiston” launched specialized studios “Khidoyat Sari” (Along the Righteous Path), and the Tashkent Islamic University is running a “Ziyo Media Markazi” (Enlightenment Media Center).

The number of visits of foreign delegations to Uzbekistan in 2017

4

Heads of government

43

Parliamentary delegations

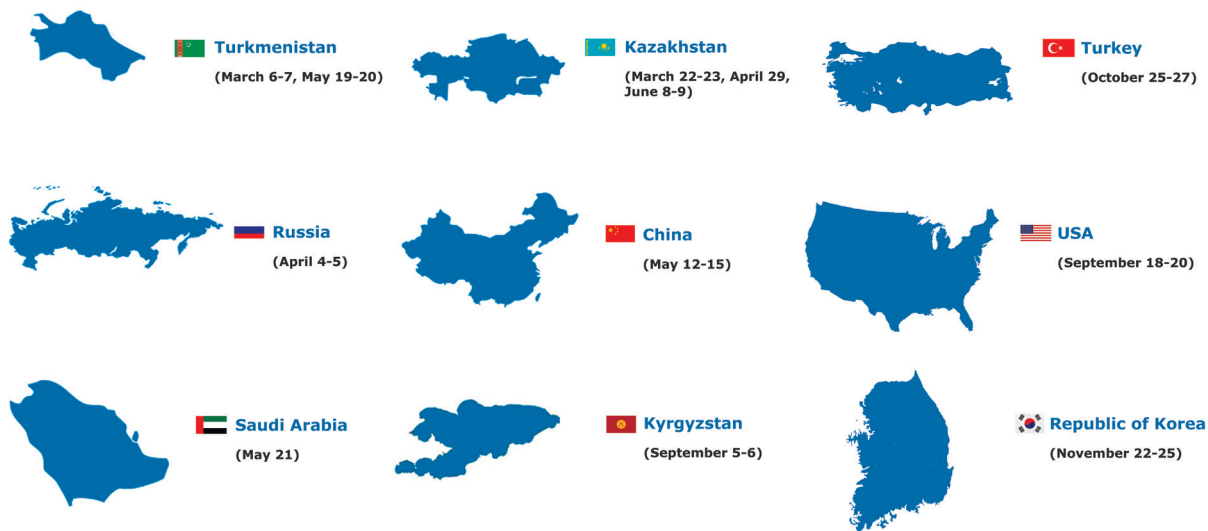
The number of foreign visits of delegations of Uzbekistan in 2017

14

Head of state

64

Parliamentary delegations



2017 proved to be quite productive for Uzbekistan also in terms of international cooperation.

The republic has applied the principle “Central Asia is key priority of Uzbekistan’s foreign policy”. In 2017, the President of the Republic of Uzbekistan Shavkat Mirziyoyev has held about 20 meetings and negotiations with the heads of the countries of the region, made fourteen visits at the highest level at nine states. In particular,

Uzbekistan established a strategic partnership with the **Republic of Turkmenistan**, commissioned automobile and railway bridges, and is building communications to enable agricultural machinery supplies.

Relations with the **Republic of Kazakhstan** shifted to a drastically new stage. The operation of the border crossing points (M-39) between the two countries was rehabilitated. Uzbekistan established the railway communication on a route “Tashkent-Alma-Ata”, “Samarkand-Astana-Nurli Jol”, signed trade and investment agreements totaling over 2 billion USD, and is bolstering interregional relations.

The whole range of unsolved issues in the relations with the **Republic of Kyrgyzstan** have been addressed. Uzbekistan signed the agreement on the Uzbek-Kyrgyz state border, the Agreement on Confidence-Building Measures in the Border Area, as well as the Declaration on Strategic Partnership. Checkpoints were opened at the Uzbek-Kyrgyz state border.

There is a positive dynamics in the relations with the **Republic of Tajikistan**, trade and economic cooperation is expanding. The two states commissioned air communication between Tashkent and Dushanbe, and hold culture days.

The international conference, which was held with the assistance of the United Nations this November in Samarkand, and spotlighted security and stable development in Central Asia, has become an extremely important event for the entire region. It was attended by foreign ministers of the neighboring countries of the region, high level guests from Russia, China, the United States and the EU.

Following the meeting, the participants decided to appeal to the UN General Assembly initiating the development of a specific resolution to support regional cooperation and security. The sides reached an agreement on permanent consultations between the heads of state of the region.

The interaction with neighboring countries has created an entirely new, friendly atmosphere in the region. Mutual trust and business ties are strengthening.

In 2017, our state has remarkably strengthened relations with the world’s major countries.

Ensuring security, religious tolerance and interethnic accord, pursuance of a balanced, mutually advantageous and constructive foreign policy

The meetings and negotiations with the heads of Russia, China, the United States, the European Union, Turkey, and the Republic of Korea have enhanced Uzbekistan’s cooperation with these countries.

The cooperation with the European Bank for Reconstruction and Development and the European Investment Bank was rehabilitated. The republic improved contacts and business relations with the World Bank and the International Monetary Fund.

There is a good progress in developing relations with foreign countries and world financial institutions in trade, economic, investment and technological and other sectors.

More than 340 agreements were concluded with foreign partners, and contracts were signed worth **more than 53 billion USD**.

European Union



with 22 foreign states



New initiatives of Uzbekistan, put forward at the UN General Assembly, the SCO summit, the IBR, the CIS and the One Belt, One Road Forum in China to address urgent problems in the field of international security and regional development were also comprehensively supported.

Jointly with foreign partners of the UN, the Uzbek side is working on a special resolution of the UN International Convention on the Rights of Youth and UN General Assembly resolution on “Education and Religious Tolerance”, as well as on prevention of engagement of the youth in various terrorist and radical groups.

Mutual cooperation with specialized UN agencies on human rights and freedoms has risen to a new level in terms of quality. Jointly with the International Labor Organization, Uzbekistan took remarkable measures to eradicate child and forced labor.

“With an eye to escalating threats of such extremely dangerous phenomena as religious extremism, terrorism, drug addiction, human trafficking, illegal migration, “mass culture”, we realize the true meaning and importance of these words.

The rapidly changing reality and expanding globalization open up new vast opportunities for humanity, especially young people. At the same time, new threats and challenges emerge, which we have not encountered before ... We do not have the right to allow our children to become tools in alien hands”.

Shavkat Mirziyoyev

President of the Republic of Uzbekistan



Action Strategy in the Spotlight of UN General Assembly Member States

In 2017, the President of the Republic of Uzbekistan Shavkat Mirziyoyev paid a visit to the United States of America, and addressed **the 72nd session of the UN General Assembly for the first time.**

The President's speech was outstanding in its richness and relevance of the issues raised in it. It covered such topical issues of our times as reforms in Uzbekistan, democracy, human rights, youth, religious tolerance, international security, regional cooperation, environment, and all other aspects that constitute the state program on the implementation of the Action Strategy for Five Priority Development Areas in 2017-2021, and thereby, turned out to be consonant with the United Nations Sustainable Development Goals.

The President's statement at the UN General Assembly session that "Uzbekistan sees the Central Asian region as a major priority of its foreign policy today" was a confirmation of ongoing actions in this area. The solution of topical issues of regional importance, which needed to be tackled for decades, and which would subsequently lead to thaw in the situation in the region, turned out to be a long-awaited reality. As the President noted, the joint efforts in recent months have helped significantly increase the political trust in the region. As a result, the hot-button issues of transboundary importance, dating back to a quarter of a century, and ranging from delimitation of borders to fair and rational water use, are now being addressed.



Delving into the issue of the Aral Sea disaster, the President underlined the importance of the need to strengthen the attention of the international community on such a longstanding and painful issue for the whole region.

In addition, President Shavkat Mirziyoyev outlined Uzbekistan's position on Afghanistan, pointing out to "a direct dialogue without preconditions, between the central government and the main domestic political forces as the only way to peace in Afghanistan".

In his speech at the 72nd session of the UN General Assembly President of the Republic of Uzbekistan Shavkat Mirziyoyev proposed on the development of an international legal document what would aim at elaboration and implementation of the youth policy - **the UN International Convention on the Rights of Youth**, as well as of a specific resolution "Education and Religious Tolerance".

"Being in the heart of Central Asia, Uzbekistan is keenly interested in the region to become a zone of stability, sustainable development and good-neighborliness. A peaceful and economically prosperous Central Asia is our most important goal and key task".

Shavkat Mirziyoyev

President of the Republic of Uzbekistan

UN Secretary General Antonio Guterres pointed out to the depth of the speech of the President of the Republic of Uzbekistan Shavkat Mirziyoyev at the 72nd session of the UN General Assembly. He said that the initiatives of the head of Uzbekistan from the high rostrum of the UN were timely and critical. He also expressed his willingness to promote these initiatives and once again assured his support for ongoing reforms within the framework of the Action Strategy.

In addition, the UN Secretary-General highly commended the specific steps taken by Uzbekistan to expand and strengthen regional cooperation, help in the reconstruction of Afghanistan, and expressed his readiness to make every effort to promote the convention on the use of the Amudarya and Syrdarya water resources, and draw the attention of the international community to the issue of mitigation of ecological disaster in the Aral Sea.

AFTERWORD

The implemented integrated reforms in all areas of the Republic of Uzbekistan in 2017 have further strengthened the foundations of national statehood. The special importance in this process was mainly attached to major aspects of building a legal democratic state based on a market economy, as well as a strong civil society.

The ongoing reforms pave the way to positive changes in the everyday life of citizens. State bodies and officials get accustomed to responsible attitude not only to the highest state structures, but also directly to the people. There is a tendency of increased acting discipline and personal responsibility in their ranks. Most importantly, all the positive changes are fully supported by the Uzbek people.

Under the leadership of President Shavkat Mirziyoyev, and much owing to his high energy, courage and exacting approach, the ability to foresee the course of events a few steps forward, and a specific approach to state management, unprecedented reforms have been carried out in 2017 alone. In a word, it would be truly fair to name the current year as the year of sweeping reforms.

As noted in the main part of this publication, this year has marked fundamental changes in the state administration system and the judicial and legal area. High performance has been achieved in further strengthening of macroeconomic stability, in maintaining high economic growth rates, ensuring a balance of the state budget at all levels, stabilized national currency and the level of prices in the domestic market.

Fundamental changes have taken place in the financial, monetary and credit policy, in particular, in sales of foreign currency. Several structures have been established to support the economy and social life in the country. The gross domestic product was increased through import substitution, and the level of employment of the population increased through the creation of new jobs. The investment climate in the country has undergone serious transformations.

Reforms in such areas as mother and child protection, public health protection, strengthening of social protection, the fundamental improvement of the education system, and development of children's sports have been strongly interrelated and consistently implemented. Most importantly, Uzbekistan built a system of direct communication with the people, a strong bridge of dialogue between the state and the people. There is also a system of direct communication between the head of state, common citizens and government bodies. The society took the path of development on the basis of complete publicity.



In a short period of time, the republic has carried out consistent reforms to enhance the effectiveness of state youth policy. The establishment of the Youth Union alone has a paramount significance in terms of uniting millions of young people of Uzbekistan toward noble goals.

Meanwhile, Uzbekistan pursues a proactive foreign policy. In international relations, the republic chose a specific, well considered, mutually beneficial and practical course of interaction. As a result, about 20 foreign visits in the current year alone, have significantly strengthened the authority of the Republic of Uzbekistan on the world arena, expanding the number of our partners. Altogether, these factors have ensured Uzbekistan's involvement in finding solutions for issues of international importance.

Ultimately, the ongoing reforms, adopted concepts, programs and regulations, as outcomes of a well-considered and balanced policy, promote strengthening of peace and stability both in the state and region, improving living conditions of the population, as well as further integrated development of the Republic of Uzbekistan.

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