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UZBEKISTAN IS BECOMING A LARGE CENTRAL ASIAN INVESTMENT HUB

The Third Tashkent International Investment Forum, held on 2–3 May 2024, demonstrated that despite the current economic challenges, Uzbekistan has been successfully and consistently implementing a policy of openness to new ideas, trends, and investments.

This traditional event attracted over 2,500 representatives from 93 countries, including heads of state, ministers, leading investors and experts.

The Forum offered the international economic community an excellent opportunity to discuss the prospects and opportunities for investing in not only Uzbekistan but also other Central Asian countries; in light of regional integration processes, those countries represent a growing and dynamic market with a large consumer base.

Under the Forum's framework, the Central Asian integration processes contextualise the presentation of regional energy projects (construction of the Kambar-Ata-1 HPP in Kyrgyzstan and the Yavan HPP in Tajikistan) to foreign investors.

The presentation occurred in the presence of Abdulla Aripov and Akylbek Japarov — the Prime Ministers of the Republic of Uzbekistan and the Kyrgyz Republic — underscoring the importance of these projects for the entire region.

When launching the event, President of Uzbekistan Shavkat Mirziyoyev noted that over the previous three years, the Forum had become an effective dialogue platform for enhancing bilateral and multilateral cooperation, discussing the most pressing issues, and generating fruitful ideas and solutions.

The leader of Uzbekistan highlighted the decisive steps undertaken to fundamentally improve the investment and business environment, which have allowed the country's economy to nearly double in recent years. In 2023, its growth rates reached 6%, with over \$60 billion in foreign investment attracted in the past few years.

In his address to the Forum participants, he stated: 'Our main goal is to make Uzbekistan a reliable and long-term partner for foreign investors. Our country is committed to developing market economy, ensuring reliable protection of investors' rights, further improving the favourable investment and business environment, creating more comfortable conditions for fair competition, ensuring the protection of private property and the independence of the judicial system' [1].

President Mirziyoyev noted that such principles had been enshrined in the new Constitution adopted in the 2023 referendum.

Seeking to further promote an attractive investment environment, Mr President put forward several proposals aimed at strengthening the protection of investors' rights. 'We will adopt the new Law "On Investments". This document has been developed in accordance with the regulations and standards of the World Trade Organization,' Mr Mirziyoyev said, expressing his gratitude to the European Bank for Reconstruction and Development, World Bank, International Monetary Fund, and Organisation for Economic Cooperation and Development for their cooperation in these efforts [1].

Furthermore, according to the President, the International Commercial Court will soon start operating in Uzbekistan under the auspices of the Centre for the Development of Digital Technologies. 'It will have a special place in Uzbekistan's legal system. Therefore, we will adopt special legislation in the near future. We will also include standards for the execution of decisions of the International Commercial Court in procedural codes,' Mr Mirziyoyev said [1].

The President of Uzbekistan also announced plans to introduce completely new approaches into the system of industrial zones. 'More favourable conditions will be created for investors to implement high-tech projects. The practice of involving private operators in managing industrial zones, especially attracting highly qualified foreign companies, will be expanded. The restrictions for the operation of special economic zones will also be eliminated,' Mr Mirziyoyev said [1].

Addressing the Forum guests, the President of Uzbekistan emphasised that 'The new Uzbekistan is a rapidly developing, just and secular country with vast opportunities' [1]. He assured the investors that his team would stand shoulder to shoulder to support them in implementing every initiative and project and directly provide all necessary assistance.

The event identified priority areas for expanding cooperation with foreign investors. These areas include:

- mining and processing of mineral resources, including rare earth metals;
- banking sector;
- green energy (in Uzbekistan, work is underway on 28 energy sector projects; by 2030, the aim is to create renewable energy capacity exceeding 20 GW and increase its share in the energy balance to 40%);
- implementation of regional hydropower projects;
- the digital transformation of the country;
- development of transport infrastructure.

The Forum has become a comfortable platform for showcasing Uzbekistan's economic potential and agreeing on mutually beneficial projects. The Forum comprised over 50 events, including discussion meetings, panel sessions, break-out sessions, roundtables, presentations, and intergovernmental commission

meetings, enabling participants to debate the latest trends across various industries and engage in B2B negotiations.

Large investment projects signed during the event, which will ultimately play an important role in transforming Uzbekistan and pushing it closer to the ranks of the world's innovation leaders, further confirm the international community's confidence in Uzbekistan's large-scale reforms.

Some of the most noteworthy results include agreements on the implementation of the following major investment projects:

— DataVolt from Saudi Arabia will be engaged in the construction of urban infrastructure in the 'New Tashkent' for \$1 billion and create a \$3 billion green technology-based 'data centre';

— Saudi Arabia's ACWA Power will implement projects to build a 5 GW wind farm in the Republic of Karakalpakstan and create 2 GW of electricity storage capacity for a total of \$6.2 billion;

— UAE-based AMEA Power will implement a \$1.1 billion project to build a 1,000 MW wind farm in the Republic of Karakalpakstan;

— Saudi Tabreed will be modernising the heat supply system in Nukus, Fergana and Quvasoy at a cost of \$750 million;

— Egypt's Nile Sugar will grow sugar beets and produce sugar in the Jizzakh region for \$500 million;

— Chinese company Shanghai Knud International will implement a project on the production of textile and garment products in the Namangan region for the amount of \$205 million;

— Wilmar International company (Singapore) will produce food and confectionery products in the Tashkent region for the amount of \$200 million [2].

In total, the Forum led to the conclusion of agreements worth \$26.6 billion. This shows the high level of Uzbekistan's investment attractiveness and the success of its chosen political and economic course.

1. Official website of the President of Uzbekistan (2024) *O'zbekiston Respublikasi Prezidenti Shavkat Mirziyoyevning Uchinchi Toshkent xalqaro investitsiya forumidagi nutqi*. Available at: <https://president.uz/oz/lists/view/7194>

2. The Government Portal of the Republic of Uzbekistan (2024) *Toshkentdagi III Xalqaro investitsiya forumi: muvaffaqiyatli yakun va istiqbolli natijalari*. Available at: <https://gov.uz/miit/news/view/11000>