

A World Bank Group Flagship Report

16TH EDITION

# DOING BUSINESS 2019

## Training for Reform

### Economy Profile Uzbekistan



Comparing Business Regulation  
for Domestic Firms in **190** Economies

**Economy Profile of Uzbekistan**

*Doing Business 2019 Indicators  
(in order of appearance in the document)*

<b>Starting a business</b>	Procedures, time, cost and paid-in minimum capital to start a limited liability company
<b>Dealing with construction permits</b>	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
<b>Getting electricity</b>	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
<b>Registering property</b>	Procedures, time and cost to transfer a property and the quality of the land administration system
<b>Getting credit</b>	Movable collateral laws and credit information systems
<b>Protecting minority investors</b>	Minority shareholders' rights in related-party transactions and in corporate governance
<b>Paying taxes</b>	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
<b>Trading across borders</b>	Time and cost to export the product of comparative advantage and import auto parts
<b>Enforcing contracts</b>	Time and cost to resolve a commercial dispute and the quality of judicial processes
<b>Resolving insolvency</b>	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
<b>Labor market regulation</b>	Flexibility in employment regulation and aspects of job quality

## About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

*Doing Business* captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

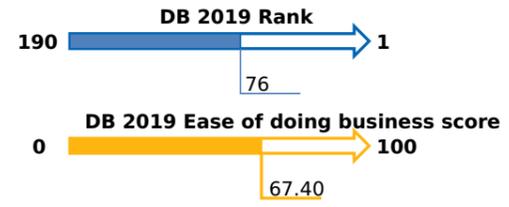
The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

More about [Doing Business](#) (PDF, 5MB)

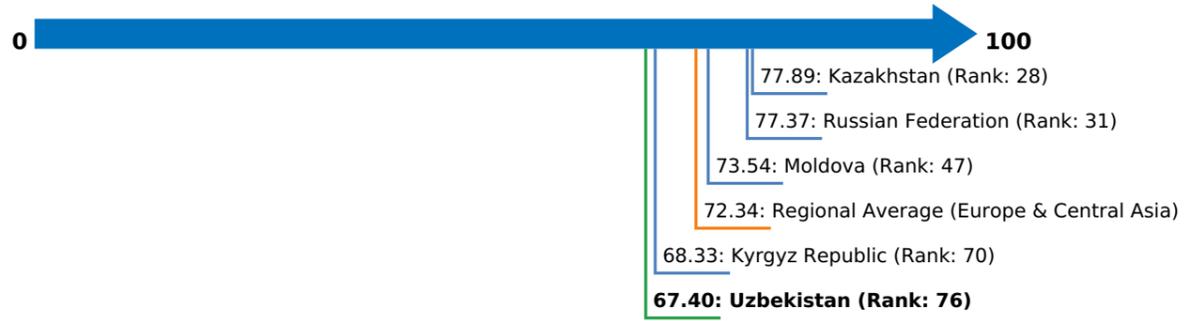
Ease of Doing Business in Uzbekistan



Region	Europe & Central Asia
Income Category	Lower middle income
Population	32,387,200
City Covered	Tashkent

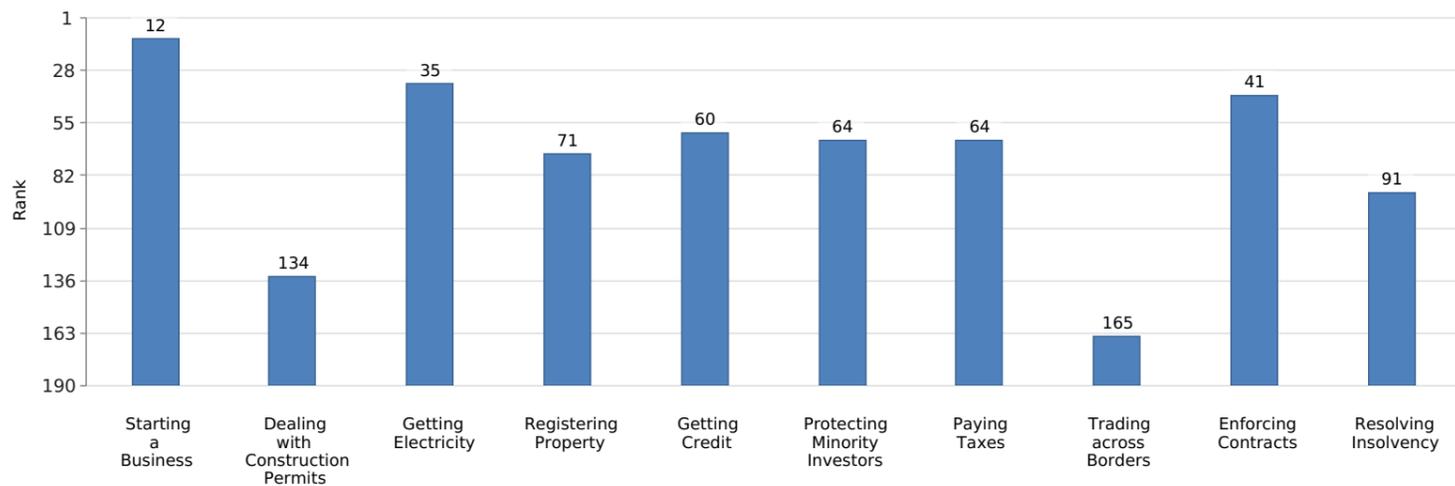


DB 2019 Ease of Doing Business Score

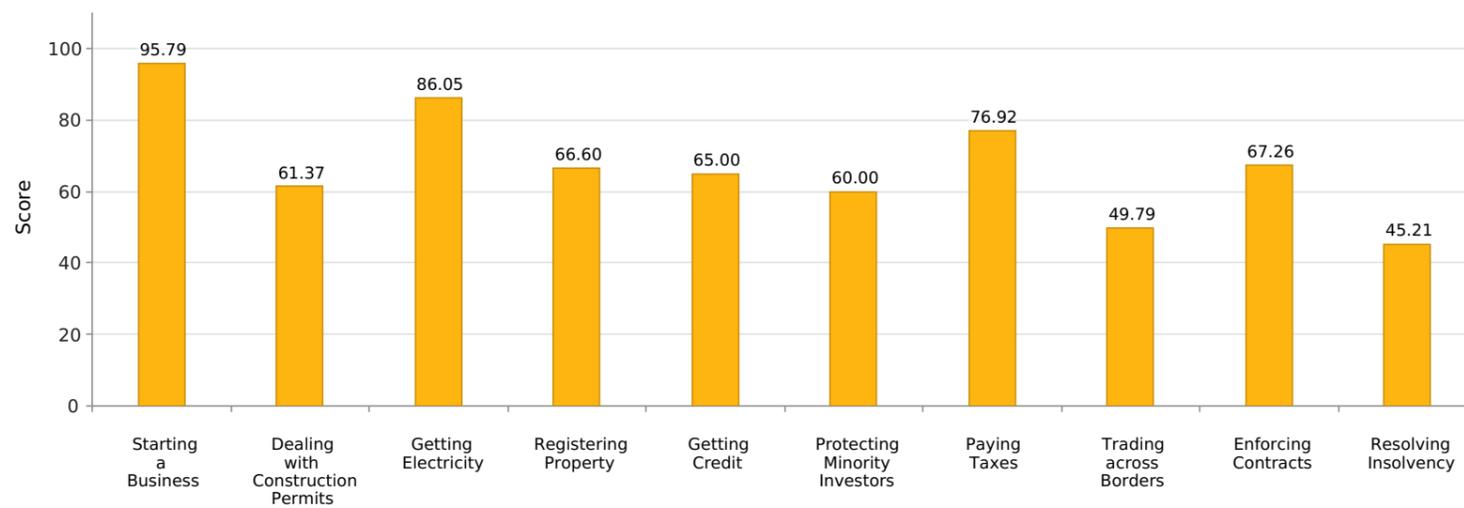


Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Uzbekistan



Ease of Doing Business Score on Doing Business topics - Uzbekistan



## Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to legally start and formally operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration in the economy's largest business city
- Postregistration (for example, social security registration, company seal)
- Obtaining approval from spouse to start a business or to leave the home to register the company
- Obtaining any gender specific document for company registration and operation or national identification card

#### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day (2 procedures cannot start on the same day)
- Procedures fully completed online are recorded as ½ day
- Procedure is considered completed once final document is received
- No prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- No professional fees unless services required by law or commonly used in practice

#### Paid-in minimum capital (% of income per capita)

- Funds deposited in a bank or with third party before registration or up to 3 months after incorporation

### Case study assumptions

To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.

#### The business:

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.
- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The entire office space is approximately 929 square meters (10,000 square feet).
- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.
- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.
- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.
- Does not qualify for investment incentives or any special benefits.
- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.
- Has a company deed that is 10 pages long.

#### The owners:

- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.
- Are sane, competent, in good health and have no criminal record.
- Are married and the marriage is monogamous and registered with the authorities.
- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

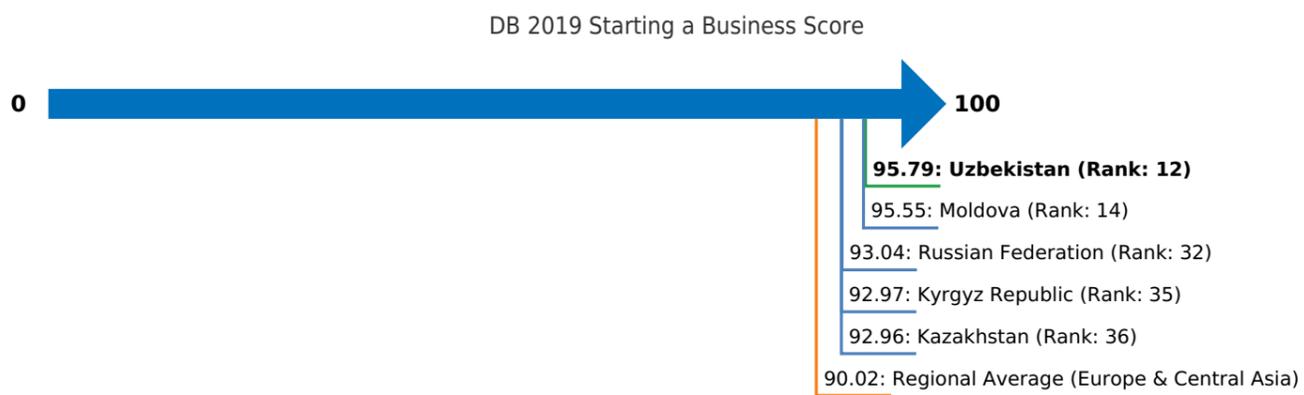
Starting a Business - Uzbekistan

Standardized Company

Legal form	Limited Liability Company
Paid-in minimum capital requirement	UZS 0
City Covered	Tashkent

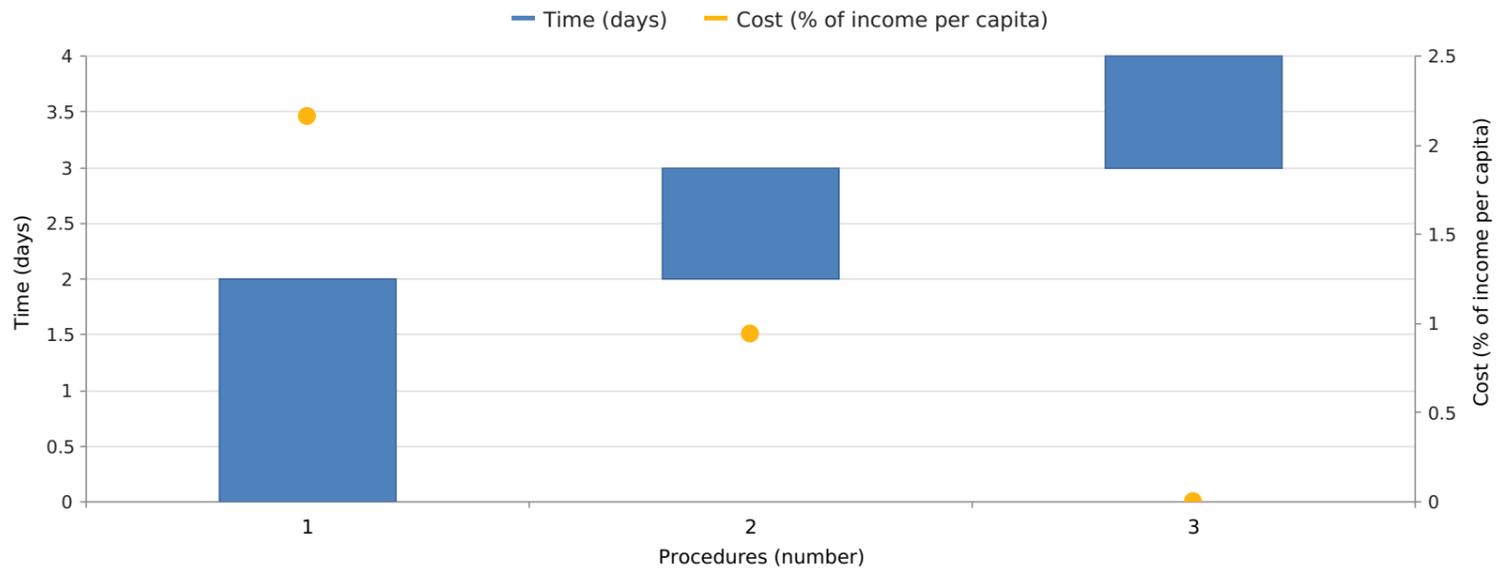
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedure - Men (number)	3	5.2	4.9	1 (New Zealand)
Time - Men (days)	4	12.9	9.3	0.5 (New Zealand)
Cost - Men (% of income per capita)	3.1	4.6	3.1	0.0 (Slovenia)
Procedure - Women (number)	3	5.2	4.9	1 (New Zealand)
Time - Women (days)	4	12.9	9.3	0.5 (New Zealand)
Cost - Women (% of income per capita)	3.1	4.6	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	2.3	8.6	0.0 (117 Economies)

Figure - Starting a Business in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Uzbekistan - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

## Details - Starting a Business in Uzbekistan - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Register at the Single Window Center under the Ministry of Justice (one-stop shop) and obtain the Certificate of State Registration</b>  <i>Agency</i> : Public Service Center under the Ministry of Justice            Starting from April 1, 2017, the new online platform for the companies registration was introduced: fo.birdarcha.uz</p> <p>The company can be registered online or in-person by visiting the Public Service Center of the relevant district. The following registration documents should be submitted:            (1) application form;            (2) constitutive documents: shareholders agreement and charter (for LLC);            (3) confirmation of registration fee payment (if not done at the moment of registration).</p> <p>In case of online registration, each founder should electronically confirm that (s)he is becoming the founder of the company. Within 30 minutes after the documents are submitted and payment is made, the company is registered.</p> <p>Registration certificate and constitutional documents are sent electronically to the applicant.</p> <p>Registration fee is levied in the amount of 1 minimum wage in case of registration in person, or 0.5 minimum wage in case of registration online.</p> <p>After the LLC is registered, the local registering authority automatically provides the data on the registered LLC to the state statistics authorities, state tax authorities, and internal affairs agencies at place of location of the LLC.</p>	2 days	UZS 172,240 (equal to one minimum wage salary)
2	<p><b>Make a company seal</b>  <i>Agency</i> : Specialized seal-making company            According to Article 5 of the Law "On limited liability company" (<a href="http://lex.uz/Pages/GetAct.aspx?lact_id=18793">http://lex.uz/Pages/GetAct.aspx?lact_id=18793</a>), small companies are not legally required to have a seal. However, most companies still prefer to do so in practice.</p> <p>Starting from April 1, 2017, small companies are no longer required to approve the seal design with the registration authorities. The company's seal must be made by a specialized seal-making company. For ordering a seal, the company should provide the Registration Certificate.</p>	1 day	UZS 50,000 - 100,000
3	<p><b>Open a permanent bank account with a local bank</b>  <i>Agency</i> : Commercial Bank            Companies open bank accounts in order to conduct official business, and because in practice Tax Authorities expect a notification regarding company's corporate account number. In addition corporate bank account is required for notification of Xalq bank.</p> <p>To open a permanent bank account, it is required to submit the Decision of the newly registered company on nomination of the director of the company and the accountant.</p> <p>Requirement to submit originals and copies of the certificate of registration and constituent documents was abolished. When opening a bank account, banks independently gain access to information about the business entity (registration certificates and constituent documents).</p> <p>After opening a permanent bank account for the company, the bank notifies Tax Authorities and Khalk bank (People's bank) regarding the company's bank account.</p>	1 day	no charge

→ Takes place simultaneously with previous procedure.

## Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally build a warehouse (number)</b></p> <ul style="list-style-type: none"> <li>• Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates</li> <li>• Submitting all required notifications and receiving all necessary inspections</li> <li>• Obtaining utility connections for water and sewerage</li> <li>• Registering and selling the warehouse after its completion</li> </ul>	<p>To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The construction company (BuildCo):</b></p> <ul style="list-style-type: none"> <li>- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.</li> <li>- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.</li> </ul>
<p><b>Cost required to complete each procedure (% of income per capita)</b></p> <ul style="list-style-type: none"> <li>• Official costs only, no bribes</li> </ul>	<p><b>The warehouse:</b></p> <ul style="list-style-type: none"> <li>- Will be used for general storage activities, such as storage of books or stationery.</li> <li>- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.</li> <li>- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.</li> <li>- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).</li> </ul>
<p><b>Building quality control index (0-15)</b></p> <ul style="list-style-type: none"> <li>• Quality of building regulations (0-2)</li> <li>• Quality control before construction (0-1)</li> <li>• Quality control during construction (0-3)</li> <li>• Quality control after construction (0-3)</li> <li>• Liability and insurance regimes (0-2)</li> <li>• Professional certifications (0-4)</li> </ul>	<p><b>The water and sewerage connections:</b></p> <ul style="list-style-type: none"> <li>- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.</li> <li>- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.</li> <li>- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.</li> </ul>

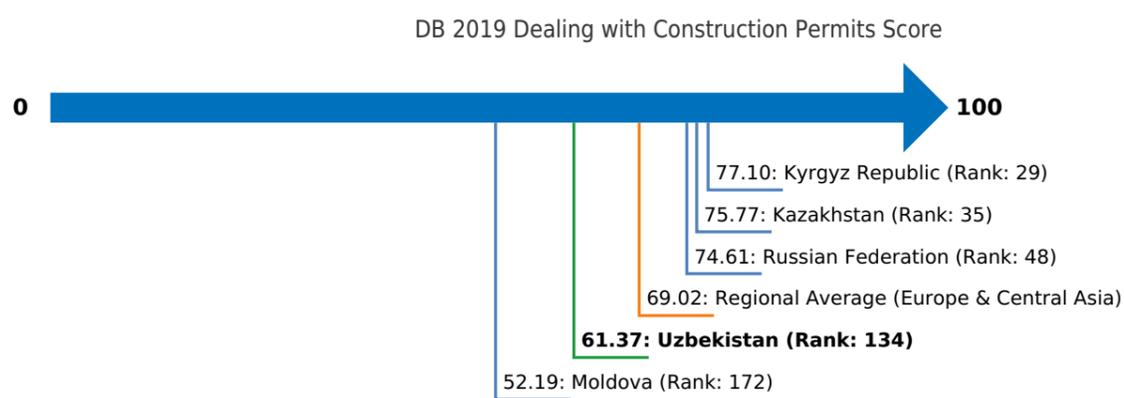
Dealing with Construction Permits - Uzbekistan

Standardized Warehouse

Estimated value of warehouse	UZS 398,838,381.30
City Covered	Tashkent

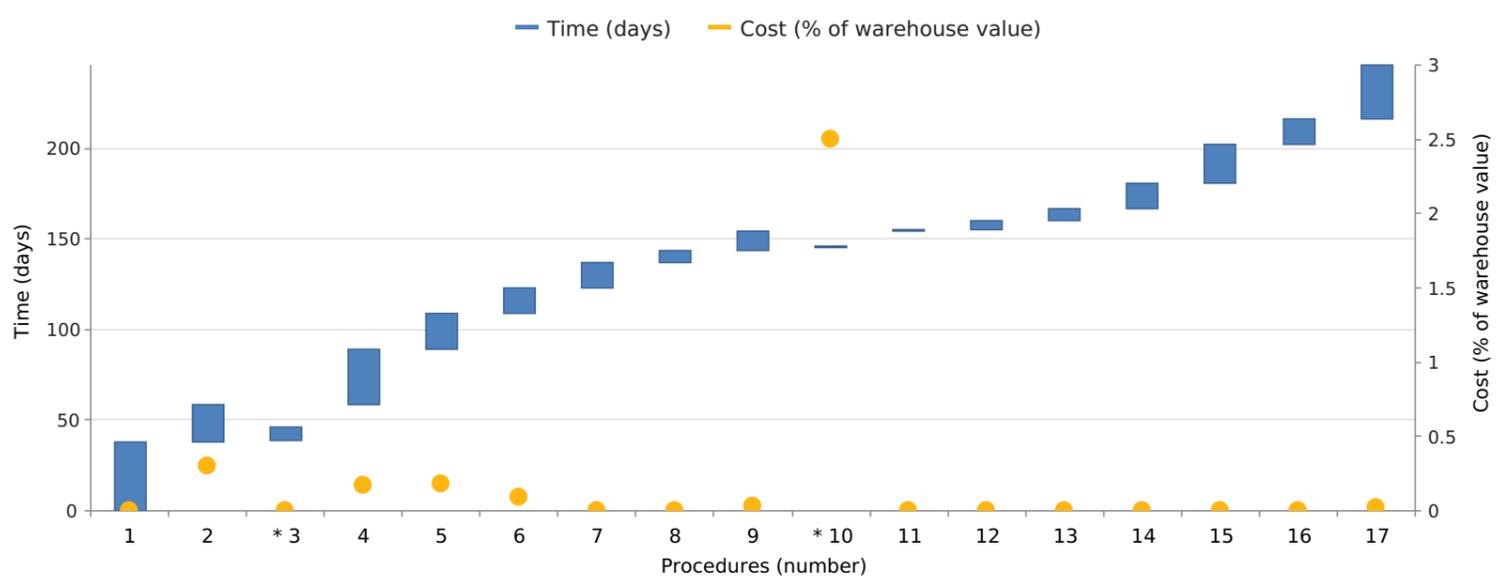
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	17	16.0	12.7	None in 2017/18
Time (days)	246	170.1	153.1	None in 2017/18
Cost (% of warehouse value)	3.3	4.0	1.5	None in 2017/18
Building quality control index (0-15)	11.0	12.0	11.5	15.0 (3 Economies)

Figure - Dealing with Construction Permits in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

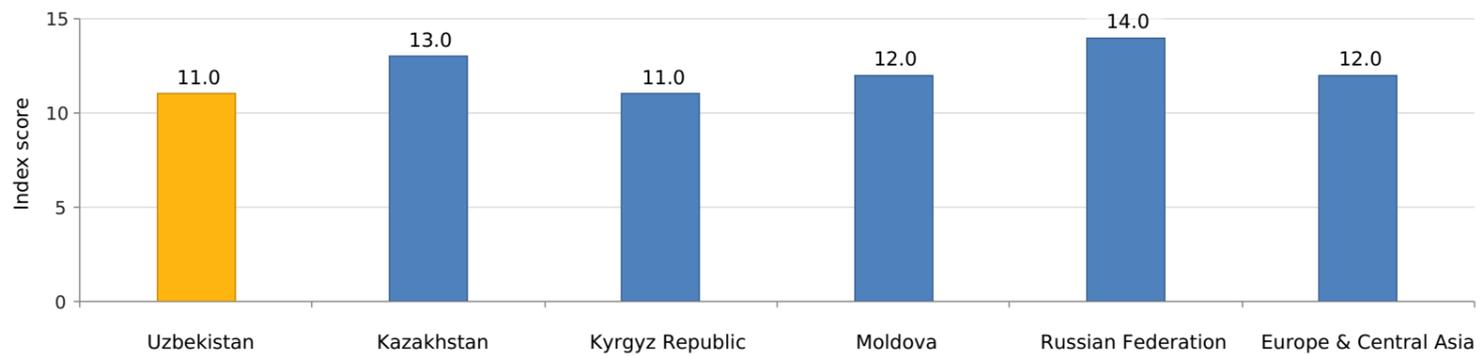
Figure - Dealing with Construction Permits in Uzbekistan - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Uzbekistan and comparator economies - Measure of Quality



## Details - Dealing with Construction Permits in Uzbekistan - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Request and obtain land clearance from Tashkent City Hokimiyat (submission of an application for a land plot and of approved materials)</b></p> <p><i>Agency</i> : District Governor's Office</p> <p>Starting on January 1, 2016, the government changed the way land plots of up to 1 hectare are allocated to legal entities and individuals. Land plots are now assigned on the basis of a competitive selection process. Local authorities (municipalities) select land plots that are available for allocation. Then, each Municipality has the local Department of Architecture and Construction obtain all preliminary approvals of land allocation (previously separate procedures) from the relevant authorities, depending on the environmental, architectural and zoning requirements of the individual plots. Once all approvals are obtained internally by the Department of Architecture and Construction, a complete set of documents is prepared for each land plot and submitted to the contest organizer within the Municipality.</p> <p>The time is 38 days (30 days after announcement is made to apply + 3 days for the committee to evaluate the bids + 5 days to announce the decision).</p> <p>Per the new process, an announcement is made in the mass media that there are land plots allocated for a specific type of construction (e.g., kindergarten, produce store, a warehouse etc.). Subsequently, these land plots, with all the necessary characteristics, are made available on the website of the State Committee of Uzbekistan on Architecture and Construction: <a href="http://1kms.uz/kms/announcementnew/list/11">http://1kms.uz/kms/announcementnew/list/11</a>.</p> <p>There is only one committee that organizes the bid. The announcement about the bid is made 1 month before the start of the bidding process, so bidders have 1 month to prepare the application and submit the bid. The committee takes 3 days to evaluate all the bids and then it has 5 days to announce the allotment decision.</p> <p>Once the decision is made, it is announced in mass media (in the same national and local newspapers where the bid was announced in the first place). The committee will inform the winners within 2 days after the official announcement. Those who were not selected will find out in the papers and on the website. The announcement is also sent by mail to all bidders.</p> <p>The announcement of the auction / competition is made only 2 times a year (May and November). This announcement is determined based on demand and supply of available land plots.</p> <p>The Hokimiyat signs a contract with the winner and the winner can go ahead and sign a contract with the project design company.</p>	38 days	no charge
2	<p><b>Obtain topographic survey of the land plot and the land plot's precise location (red lines) by "UzGASHKLITI"</b></p> <p><i>Agency</i> : State Design Research Institute of Engineering Studies in Construction, Geoinformatics and Urban Cadastre - "UzGASHKLITI"</p> <p>A specialized agency draws the precise location of the land plot on a map (usually in red color, hence the name "red lines").</p>	21 days	UZS 1,200,000

3	<p><b>Request and obtain technical conditions for the connection to water and sewerage</b></p> <p><i>Agency</i> : Water and Sewerage Authority</p> <p>BuildCo must obtain technical terms for the connection to the water and sewerage systems. The terms are necessary for preparing project documentation.</p> <p>BuildCo must submit the following information to the local water and sewerage authority:</p> <ul style="list-style-type: none"> <li>• For water: the load of water demand, the calculation of water height, and the expected date of commencement of water consumption</li> <li>• For sewerage: the calculation of sewage volume, qualitative composition of the sewage, specification of whether the any plans for internal treatment, and the expected date the sewerage system is to be put into operation</li> </ul> <p>By law, this procedure should be completed in 3 business days. However, in practice, it takes longer.</p>	7 days	no charge
4	<p><b>Request and obtain architectural and technical objectives</b></p> <p><i>Agency</i> : Main Department of Architecture and Construction</p> <p>Based on the terms for designing the building in accordance with engineering supply norms and regulations, the technical conditions, and the decision of the Hokimat on the land plot (all provided by the department on architecture and construction of the city), the Main Department of Architecture and Construction develops the architectural planning terms (APZ, parts I and II).</p> <p>The fee is established by Government Resolution No. 150 (dated May 30, 2013) was set at 4 MMW.</p>	30 days	UZS 688,960
5	<p><b>Request ecological examination</b></p> <p><i>Agency</i> : Private Licensed Organization</p> <p>BuildCo should submit the project and pre-project documentation for ecological examination to a private expert firm. The expert firm will provide the examination and will also obtain the conclusion from The State Ecological Examination body of the Committee on the Protection of Nature of the city of Tashkent will issue the conclusion of the ecological examination. This document is necessary for subsequent submission to the territorial Inspection of State Architectural Building Supervision of the city of Tashkent and to the servicing bank (to allow financing). It is also necessary for obtaining the fire safety and earthquake stability compliance.</p>	20 days	UZS 725,000
6	<p><b>Request and obtain examination of project documents on their compliance with fire safety and seismic stability</b></p> <p><i>Agency</i> : State Architectural and Construction Inspection (GASN)</p> <p>After obtaining an ecological evaluation, BuildCo can submit the construction plans for state examination on their compliance with fire safety and earthquake stability.</p>	14 days	UZS 344,480
7	<p><b>Request and obtain sanitation clearance for the project</b></p> <p><i>Agency</i> : State Sanitation and Epidemic Supervision Authority</p> <p>BuildCo must obtain project clearance from the state sanitation and epidemic supervision authority. This document can only be obtained after obtaining the fire safety and earthquake stability compliance.</p>	14 days	no charge
8	<p><b>Request and obtain project clearance from the local water and sewerage authority</b></p> <p><i>Agency</i> : Water and Sewerage Authority</p> <p>BuildCo must obtain project clearance from the local water and sewerage authority. This authority checks whether the project and other relevant documentation conform to construction rules and technical terms. BuildCo enters into a contract with the local water and sewerage authority on technical supervision of the construction. This document can only be obtained after obtaining a sanitation clearance.</p>	7 days	no charge

9	<p><b>Request and obtain construction permit from State Architectural and Construction Inspection (GASN)</b></p> <p><i>Agency</i> : State Architectural and Construction Inspection (GASN)</p> <p>The permit for construction works is issued by the local branch of the architecture and construction authority. Although the permit should be issued within 5 days, in practice it takes longer.</p> <p>An inspector from the local branch of the architecture and construction authority undertakes oversight of the construction. There is no permit application fee. However, for the oversight/inspection phase, the company enters into a contract with the authority at a cost of 0.03% of the value of the warehouse.</p> <p>The company must submit the following documents:</p> <ul style="list-style-type: none"> <li>• Application form</li> <li>• Positive evaluation summary from the public examination bodies on the working project</li> <li>• Copy of the general plan and elevations of the building approved by the architectural bodies, or the protocol of the Town-Planning Council of the Main Department on Architecture and Construction of the city of Tashkent</li> <li>• Address list of construction sites</li> </ul> <p>The Inspectorate registers the construction project and issues the building permit. BuildCo starts construction of the warehouse and notifies the Inspectorate of the commencement of works within a month of receiving the building permit.</p>	10 days	UZS 119,652
⇒ 10	<p><b>Hire a technical supervision company for construction supervision</b></p> <p><i>Agency</i> : Private construction supervision company</p> <p>There are three levels of construction supervision in Uzbekistan: (1) internal supervision or author's supervision, (2) technical supervision conducted by an external firm and (3) government supervision. The technical supervision companies usually charge around 2-3% of the construction costs.</p>	1 day	UZS 9,970,960
11	<p><b>Receive inspection from the State Architectural and Construction Inspection (GASN)</b></p> <p><i>Agency</i> : State Architectural and Construction Inspection (GASN)</p> <p>Inspection is carried out by State Architectural and Construction Inspection (GASN). GASN will assign one inspector for the specific construction who will be responsible for conducting the inspections throughout the construction period.</p>	1 day	no charge
12	<p><b>Connect to water and sewerage services</b></p> <p><i>Agency</i> : Water and Sewerage Authority</p>	5 days	no charge
13	<p><b>Obtain updated topographic map</b></p> <p><i>Agency</i> : State Design Research Institute of Engineering Studies in Construction, Geoinformatics and Urban Cadastre - "UzGASHKLITI"</p> <p>Once the construction works and complete and the water and sewage connection is obtained, the State Design Research Institute "UzGASHKLITI" conducts a survey of the land plot and of the building to develop a new topographic map of the area with the new construction on it. This is called executive mapping.</p>	7 days	no charge
14	<p><b>Call and establish Working Commission and submit documents to the Commission</b></p> <p><i>Agency</i> : Working Commission</p> <p>After completion of the construction works, BuildCo requests the creation of a Working Commission composed of the representatives of district architects, the sanitation supervision authority, the state fire supervision authority, the ministry on emergency situations, the city committee on nature protection, and others.</p> <p>The timeframe under the Construction rules, registered by Ministry of Justice No.545, for establishing Working Commission is 5 working days. However, in practice it takes 14 days, as the Commission only meets once every two weeks and in case the file doesn't make it to the first meeting, it would almost certainly be reviewed at the second one.</p> <p>BuildCo must submit the following documents to the Working Commission:</p> <ul style="list-style-type: none"> <li>• The list of organizations that participated in the building and construction works, along with the type of work done by these organizations, the family names of the responsible engineers and technical employees</li> <li>• The full set of design drawings of the property developed by the project organizations</li> <li>• Certificates, technical passports, and other documents certifying the quality and safety of the materials, constructions, and details used in the building and construction works</li> <li>• Other relevant documents</li> </ul>	14 days	no charge

15	<p><b>Receive inspection and obtain certificate of completion from Working Commission</b></p> <p><i>Agency : Working Commission</i></p> <p>After the inspection, an act of acceptance is drafted and endorsed by all members in no more than 5 working days.</p> <p>The Working Commission will inspect, among other things:</p> <ul style="list-style-type: none"> <li>• The compliance of the building and construction works with the requirements on labor protection, fire safety, environment protection, and its prevention of human-caused emergency situations, and so forth</li> <li>• The separate constructions and units of the warehouse</li> </ul> <p>If its findings are favorable, the commission then accepts the construction for subsequent presentation to the State Acceptance Board.</p> <p>The Working Commission issues the following:</p> <ul style="list-style-type: none"> <li>• The certificate of allowable concentration of radon in the completed constructions</li> <li>• The certificate of acceptance of the temporary buildings and constructions</li> <li>• The certificate of readiness of the construction for presentation to the State Acceptance Board</li> </ul>	21 days	no charge
16	<p><b>Request and obtain certificate of acceptance from the Tashkent City Hokimat</b></p> <p><i>Agency : Hokimat</i></p> <p>The Hokim (the head of the city government) decides whether to approve the Working Commission's act of acceptance within 2 days. However, in practice, this takes longer. There is no fee involved. The decision of Hokim is further needed for registering the building with the cadastre authorities.</p> <p>BuildCo should submit to the State Acceptance Board, among other documents, the following documents:</p> <ul style="list-style-type: none"> <li>• The certificate on elimination of defects brought to light by the Working Commission</li> <li>• The approved project and estimate documentation</li> <li>• The list of project and research organizations that participated in construction</li> <li>• Other relevant documents</li> </ul>	14 days	no charge
17	<p><b>Register the new construction with the cadastre</b></p> <p><i>Agency : Cadastre</i></p> <p>BuildCo must register the new construction with the real estate cadastre of the relevant district of the city of Tashkent. The registration takes around 2 weeks in Tashkent and costs 50% of MMW for legal entities.</p>	30 days	UZS 86,120

→ Takes place simultaneously with previous procedure.

## Details - Dealing with Construction Permits in Uzbekistan - Measure of Quality

	Answer	Score
<b>Building quality control index (0-15)</b>		<b>11.0</b>
<b>Quality of building regulations index (0-2)</b>		<b>2.0</b>
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
<b>Quality control before construction index (0-1)</b>		<b>1.0</b>
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
<b>Quality control during construction index (0-3)</b>		<b>2.0</b>
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in-house engineer; Inspections by external engineer or firm; Unscheduled inspections; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
<b>Quality control after construction index (0-3)</b>		<b>3.0</b>
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency; Yes, in-house engineer submits report for final inspection; Yes, external engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
<b>Liability and insurance regimes index (0-2)</b>		<b>1.0</b>
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
<b>Professional certifications index (0-4)</b>		<b>2.0</b>

What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)

Minimum number of years of experience; University degree in architecture or engineering. 1.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management. 1.0

---

## ⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

#### Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

#### The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

#### Price of electricity (cents per kilowatt-hour)\*

- Price based on monthly bill for commercial warehouse in case study

\*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

#### The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

#### The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

#### The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

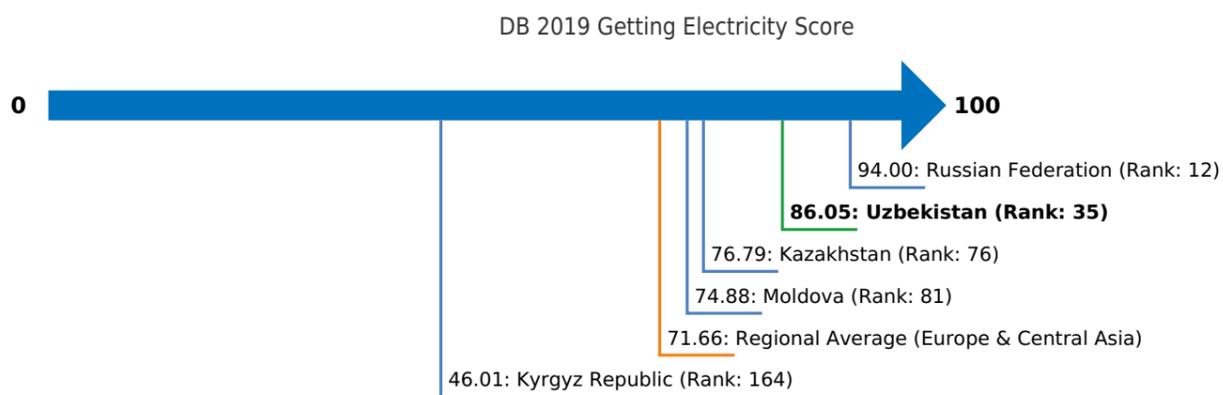
Getting Electricity - Uzbekistan

Standardized Connection

Price of electricity (US cents per kWh)	5.7
Name of utility	Uzbekenergo
City Covered	Tashkent

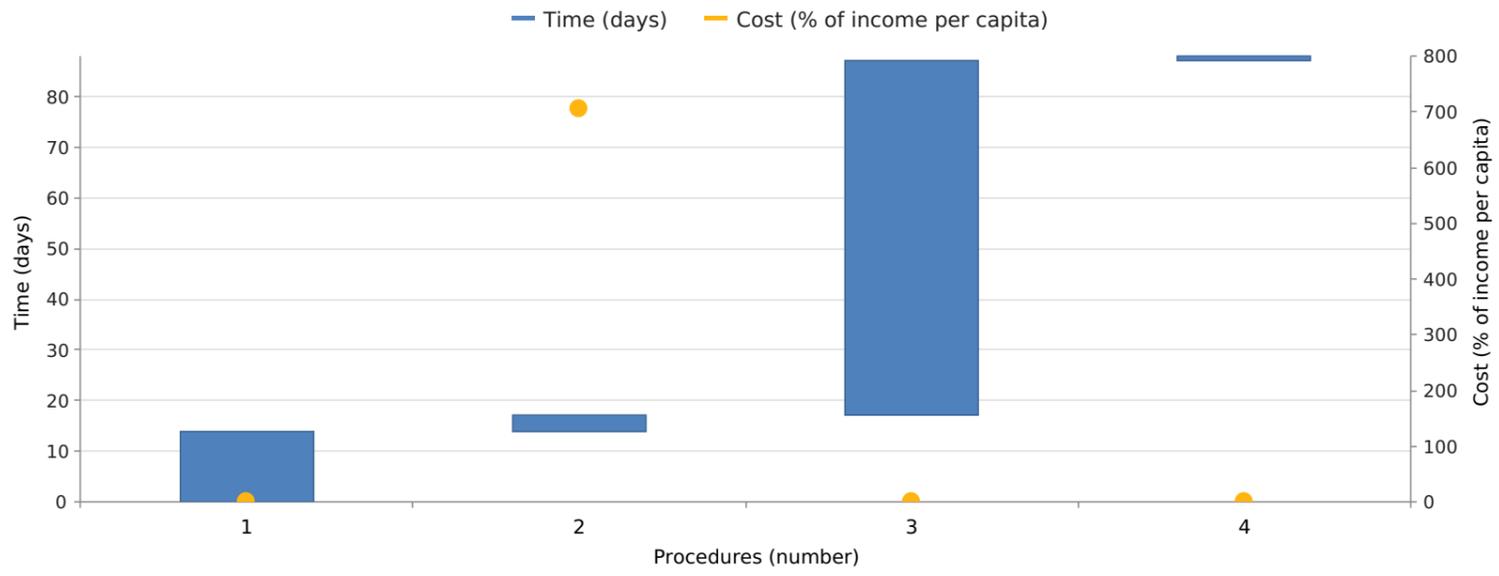
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	4	5.3	4.5	3 (25 Economies)
Time (days)	88	110.3	77.2	18 (3 Economies)
Cost (% of income per capita)	705.2	325.1	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	8	5.5	7.5	8.0 (27 Economies)

Figure - Getting Electricity in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

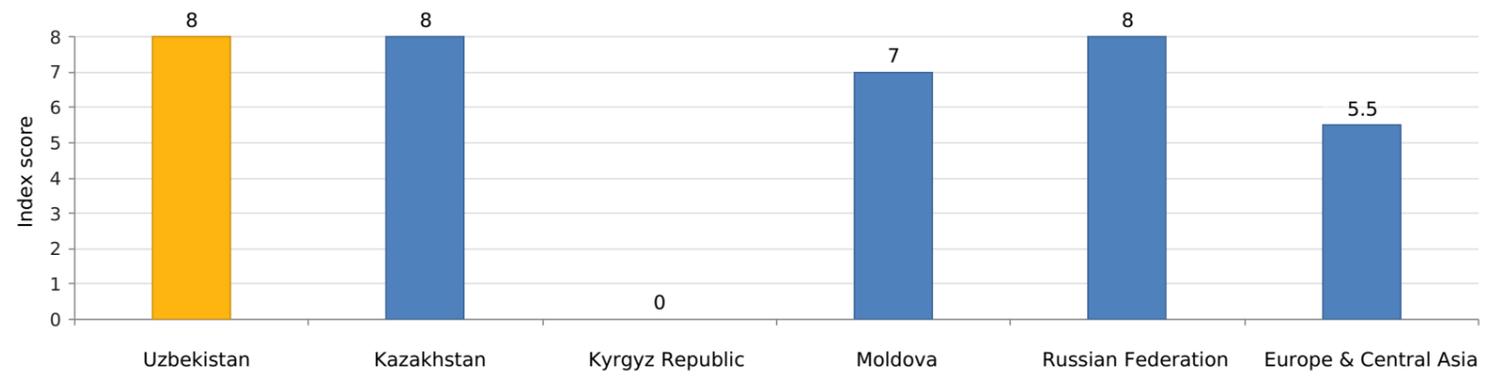
Figure - Getting Electricity in Uzbekistan - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Getting Electricity in Uzbekistan and comparator economies - Measure of Quality



## Details - Getting Electricity in Uzbekistan - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Submit application and await technical conditions and connection contract with estimate</b></p> <p><i>Agency</i> : Tashkent City Electric Network Enterprise OJSC The customer submits an application for the electrical connection to the Tashkent City Electric Network Enterprise and waits for them to issue technical conditions along with the connection contract that contains the time required for the connection works as well as the connection cost estimate.</p>	14 calendar days	UZS 0
2	<p><b>Signing connection contract and make payment</b></p> <p><i>Agency</i> : Tashkent City Electric Network Enterprise OJSC Upon receiving the connection contract from the utility, customer has 3 business days to sign the contract and make the 100% prepayment for connection.</p>	3 calendar days	UZS 56,250,000
3	<p><b>Implementation of connection works by utility and inspection</b></p> <p><i>Agency</i> : Tashkent City Electric Network Enterprise OJSC During this procedure the Utility implements following works:</p> <ul style="list-style-type: none"> <li>- prepares the connection design, after the receipt of the advance payment under the contract on connection to electric networks "on a turn-key basis"(15-20 business days),</li> <li>- receives preliminary approval by all stakeholder organizations (5 business days)</li> <li>- finalizes design based on received comments and gets final approval (3 business days)</li> <li>- upon having the design approved, utility conducts the external connection works, carries out meter installation (15-30 business days)</li> <li>- after completion of external works, inspection by the State Energy Inspectorate "Uzgosenergonadzor" takes place (3 business days), wherein "Uzgosenergonadzor" inspects an external power supply system and issues:               <ol style="list-style-type: none"> <li>1) Certificate of technical inspection of electrical installations of consumers</li> <li>2) Permit for the commissioning of electrical installations</li> </ol> </li> </ul>	70 calendar days	UZS 0
4	<p><b>Sign supply contract and obtain final connection</b></p> <p><i>Agency</i> : Tashkent City Electric Network Enterprise OJSC The customer concludes a supply contract and obtains final electricity connection.</p>	1 calendar day	UZS 0

→ Takes place simultaneously with previous procedure.

## Details - Getting Electricity in Uzbekistan - Measure of Quality

	Answer
<b>Reliability of supply and transparency of tariff index (0-8)</b>	8
<b>Total duration and frequency of outages per customer a year (0-3)</b>	3
System average interruption duration index (SAIDI)	0.2
System average interruption frequency index (SAIFI)	0.1
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	0.5
<b>Mechanisms for monitoring outages (0-1)</b>	1
Does the distribution utility use automated tools to monitor outages?	Yes
<b>Mechanisms for restoring service (0-1)</b>	1
Does the distribution utility use automated tools to restore service?	Yes
<b>Regulatory monitoring (0-1)</b>	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
<b>Financial deterrents aimed at limiting outages (0-1)</b>	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
<b>Communication of tariffs and tariff changes (0-1)</b>	1
Are effective tariffs available online?	Yes
Link to the website, if available online	<a href="http://uzbekenergo.uz/ru/activities/tariffs-electric-power/">http://uzbekenergo.uz/ru/activities/tariffs-electric-power/</a>
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

**Note:**

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

## Registering Property

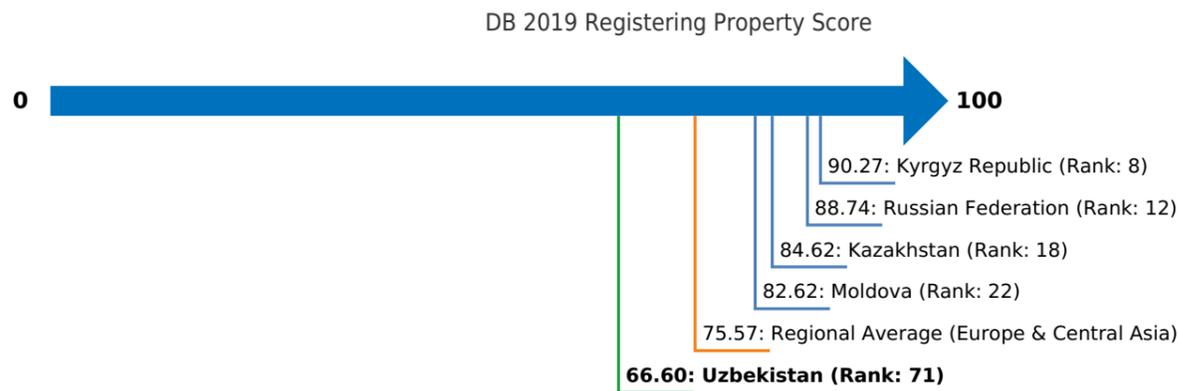
This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Procedures to legally transfer title on immovable property (number)</b></p> <ul style="list-style-type: none"> <li>• Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)</li> <li>• Registration procedures in the economy's largest business city.</li> <li>• Postregistration procedures (for example, filling title with municipality)</li> </ul>	<p>To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.</p>
<p><b>Time required to complete each procedure (calendar days)</b></p> <ul style="list-style-type: none"> <li>• Does not include time spent gathering information</li> <li>• Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule</li> <li>• Procedure is considered completed once final document is received</li> <li>• No prior contact with officials</li> </ul>	<p><b>The parties (buyer and seller):</b></p> <ul style="list-style-type: none"> <li>- Are limited liability companies (or the legal equivalent).</li> <li>- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Are 100% domestically and privately owned.</li> <li>- Have 50 employees each, all of whom are nationals.</li> <li>- Perform general commercial activities.</li> </ul>
<p><b>Cost required to complete each procedure (% of property value)</b></p> <ul style="list-style-type: none"> <li>• Official costs only (such as administrative fees, duties and taxes).</li> <li>• Value Added Tax, Capital Gains Tax and illicit payments are excluded</li> </ul>	<p><b>The property (fully owned by the seller):</b></p> <ul style="list-style-type: none"> <li>- Has a value of 50 times income per capita, which equals the sale price.</li> <li>- Is fully owned by the seller.</li> <li>- Has no mortgages attached and has been under the same ownership for the past 10 years.</li> <li>- Is registered in the land registry or cadastre, or both, and is free of title disputes.</li> <li>- Is located in a periurban commercial zone, and no rezoning is required.</li> <li>- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.</li> <li>- Will not be subject to renovations or additional construction following the purchase.</li> <li>- Has no trees, natural water sources, natural reserves or historical monuments of any kind.</li> <li>- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.</li> <li>- Has no occupants, and no other party holds a legal interest in it.</li> </ul>
<p><b>Quality of land administration index (0-30)</b></p> <ul style="list-style-type: none"> <li>• Reliability of infrastructure index (0-8)</li> <li>• Transparency of information index (0-6)</li> <li>• Geographic coverage index (0-8)</li> <li>• Land dispute resolution index (0-8)</li> <li>• Equal access to property rights index (-2-0)</li> </ul>	

Registering Property - Uzbekistan

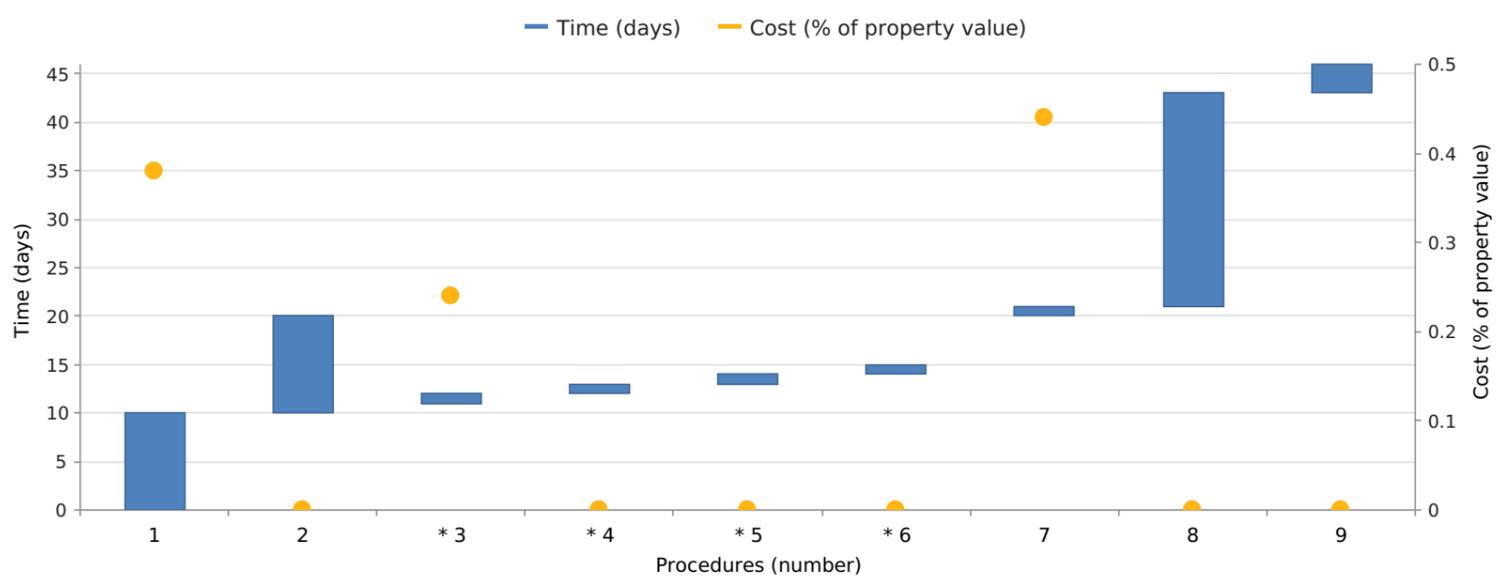
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Procedures (number)	9	5.3	4.7	1 (4 Economies)
Time (days)	46	20.3	20.1	1 (New Zealand)
Cost (% of property value)	1.1	2.6	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	18.5	19.6	23.0	None in 2017/18

Figure - Registering Property in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

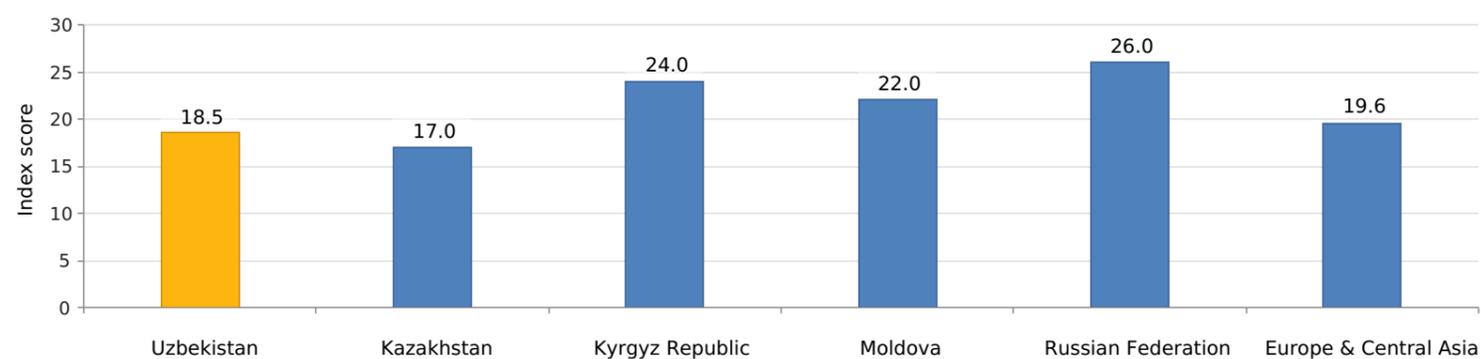
Figure - Registering Property in Uzbekistan - Procedure, Time and Cost



\*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Uzbekistan and comparator economies - Measure of Quality



## Details - Registering Property in Uzbekistan - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p><b>Obtain the evaluation of the market value for the property</b>  <i>Agency : Private evaluator</i>            Private evaluator will visit the land ad immovable property, take measurements, etc. Usually, the visit is performed without presence of a client (seller).</p>	10 days	UZS 1,500,000; (1 to 2 million UZS)
2	<p><b>Request and obtain Cadastral Certificate</b>  <i>Agency : Cadastral Service Office</i>            The seller has to obtain the Cadastral Certificate. The certificate contains technical parameters of premises (when built, height, deterioration level, blueprint, etc.) as well as cadastral value (taxable value), which is used for property tax calculation purposes.</p>	10 days	no charge
⇒ 3	<p><b>Inspection of a property to determine its status</b>  <i>Agency : Cadastral Service Office</i>            Pursuant to the Decree No.1 as of Jan 7, 2014 the state official will have to conduct the onsite inspection of the land and building. The inspection is performed to establish cadastral value of the property and to evaluate all possible changes in technical parameters, record new construction and reconstruction etc.</p> <p>Pursuant to the Order No. 186 from July 10, 2014 the fee for an inspection of the property by experts from the State Committee on Land Resources, Geodesy, Cartography and State Cadastre is set as follow:</p> <ol style="list-style-type: none"> <li>Property with total size up to 100 sqr. m - 1 MMW (monthly minimum wage)</li> <li>Property with total size from 100 sqr. m to 1000 sqr. m - 1% from MMW per square meter of the property size</li> <li>Property with total size from 1000 sqr. m to 5000 sqr. m - 15 from MMW</li> <li>Property with total size from 5000 sqr. m to 15000 sqr. m - 30 from MMW</li> <li>Property with total size from 15000 sqr. m to 50000 sqr. m - 50 from MMW</li> <li>Property with total size more than 50000 sqr. m - 70 MMW</li> </ol>	1 day	UZS 960,065.76; (1% of the minimum monthly wage per square meter of land plot area As of December 1, 2017, the minimum wage is UZS 172,240)
⇒ 4	<p><b>Seller obtains the certificate stating that there are no outstanding payments due to the water and sewage service provider</b>  <i>Agency : Water service provider</i>            Parties have to submit to the notary the certificates stating that there are no outstanding payments due to the trash collection service use from trash collection service provider. Parties have to request these certificates specifically for the property transaction to demonstrate that there are no outstanding fees that have to be paid before transfer of property takes place.</p>	1 day	no charge
⇒ 5	<p><b>Seller obtains the certificate stating that there are no outstanding electricity bills</b>  <i>Agency : Electricity service provider</i>            Parties have to submit to the notary the certificates stating that there are no outstanding payments due to the electricity service use from electricity service provider. Parties have to request these certificates specifically for the property transaction to demonstrate that there are no outstanding fees that have to be paid before transfer of property takes place.</p>	1 day	no charge
⇒ 6	<p><b>Seller obtains the certificate stating that there are no outstanding trash collection bills</b>  <i>Agency : Trash collection service provider</i>            Parties have to submit to the notary the certificates stating that there are no outstanding payments due to the trash collection service use from trash collection service provider. Parties have to request these certificates specifically for the property transaction to demonstrate that there are no outstanding fees that have to be paid before transfer of property takes place.</p>	1 day	no charge

7	<p><b>Notarize the sale agreement between the seller and buyer</b>  <i>Agency</i> : Public Notaries  According to Article 480 of the Civil Code of Uzbekistan a contract for sale of an immovable property shall be concluded in a written form by formation of one document signed by the parties. Accordingly, the obligation to notarize the sale of a real estate between legal persons is not required by law.</p> <p>However, upon agreement of the parties, the contract can be notarized. In accordance with paragraph 51 of Instructions on notarial acts of notaries, in case of notarization of the sale contract of a real estate such transactions shall be certified in a notary's office located at the place where the location of the real state is.</p> <p>For certification of transactions on alienation of a real estate owned by legal entities, notary requires the following documents:</p> <ul style="list-style-type: none"> <li>• Proof of ownership of the property (cadastral certificate);</li> <li>• Certificate of state registration of the legal entity;</li> <li>• Certificate on the net book value of the property, signed by the director and the chief accountant of the legal entity;</li> <li>• Certificate of net assets of the legal entity;</li> <li>• Power of attorney for a representative of the legal entity, issued in the prescribed manner (if there is no an employment contract between the representative and the legal entity, a power of attorney shall be issued by a notary);</li> <li>• Act of acceptance of the property;</li> <li>• Document verifying the payment between the parties (the receipt, payment order)*;</li> </ul> <p>*In case the sale contract is notarized, a written basis for the settlement between the parties, namely the conclusion of the preliminary agreement between the parties on the basis of which the payment for the transferred property was made, will be needed in order to provide the notary with a document confirming settlement between the parties.</p>	1 day	<p>UZS 1,772,349.6;  (1% of the minimum monthly wage per square meter of building area + fees charged by notaries for consultations and drafting sale-purchase agreement</p> <p>As of December 1, 2017, the minimum wage is UZS 172,240)</p>
8	<p><b>Buyer applies for the registration at the Registration Office</b>  <i>Agency</i> : Registration Office - Department of Land Resources and State Cadastre - City of Tashkent</p> <p>According to Article 481 of Civil Code of Uzbekistan, the transfer of the property rights on immovable property from the seller to the buyer is subject to the state registration. In case of registration of a building or structure in a land register and in a register book, the case of change of the owner of person having proprietary rights to that object, and also in case of change of the legal position of the object, a new certificate of state registration of a building structure will be issued with the obligatory withdrawal and cancellation of the old certificate. Pursuant to the Resolution of the President of Uzbekistan No.PP-2412 dated 28 September 2015 the document confirming the title to the property rights shall be submitted with the registration department of city/district municipality (khokimiyat), further the property rights will be registered by the State Committee on Land Resources, Geodesy, Cartography and State Cadaster.</p>	22 days	
9	<p><b>Buyer submits the cadastral package to the local tax authorities</b>  <i>Agency</i> : Local Tax Authorities</p> <p>The buyer submits a copy of Cadastral package to the local tax authority in order to update the land and property taxation records to the new owner's name.</p> <p>In addition, according to the Tax Code of the Republic of Uzbekistan, authorities involved with the registration of the title must report information on new owners to the tax authorities within 10 days after registration of the title has taken place.</p>	3 days	no charge

→ Takes place simultaneously with previous procedure.

## Details - Registering Property in Uzbekistan - Measure of Quality

	Answer	Score
<b>Reliability of infrastructure index (0-8)</b>		<b>5.0</b>
What is the institution in charge of immovable property registration?	Tashkent city Department of Land Resources and State Cadastre	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Cadastre Service office under the State Committee on land resources, cartography and State Cadastre	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	No	0.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Single database	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
<b>Transparency of information index (0-6)</b>		<b>2.5</b>
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Only intermediaries and interested parties	0.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	<a href="http://www.kadastar.uz/ru/individual/services/perechen-dokumentov-dlya-registratsii-prava/2933/">http://www.kadastar.uz/ru/individual/services/perechen-dokumentov-dlya-registratsii-prava/2933/</a>	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	<a href="http://www.kadastar.uz/ru/corporate/services/stoimost-uslug/3364/">http://www.kadastar.uz/ru/corporate/services/stoimost-uslug/3364/</a>	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame—and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	<a href="http://www.kadastar.uz/ru/corporate/services/sroki-okazaniya-uslug/3352/">http://www.kadastar.uz/ru/corporate/services/sroki-okazaniya-uslug/3352/</a>	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0

Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Only intermediaries and interested parties	0.0
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	<a href="http://www.kadastar.uz/ru/corporate/services/stoimost-uslug/3364/">http://www.kadastar.uz/ru/corporate/services/stoimost-uslug/3364/</a>	
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	<a href="http://odnookno.uz/ru/e-services/order/?SERVICE_ID=780">http://odnookno.uz/ru/e-services/order/?SERVICE_ID=780</a>	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
<b>Geographic coverage index (0-8)</b>		<b>4.0</b>
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
<b>Land dispute resolution index (0-8)</b>		<b>7.0</b>
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary; Lawyer;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of identity documents?	Yes	1.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Arbitration Court or The economic Court of Tashkent city	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Less than a year	3.0

Are there any statistics on the number of land disputes in the first instance?

No

0.0

Number of land disputes in the largest business city in 2017:

**Equal access to property rights index (-2-0)**

**0.0**

Do unmarried men and unmarried women have equal ownership rights to property?

Yes

Do married men and married women have equal ownership rights to property?

Yes

0.0

## Getting Credit

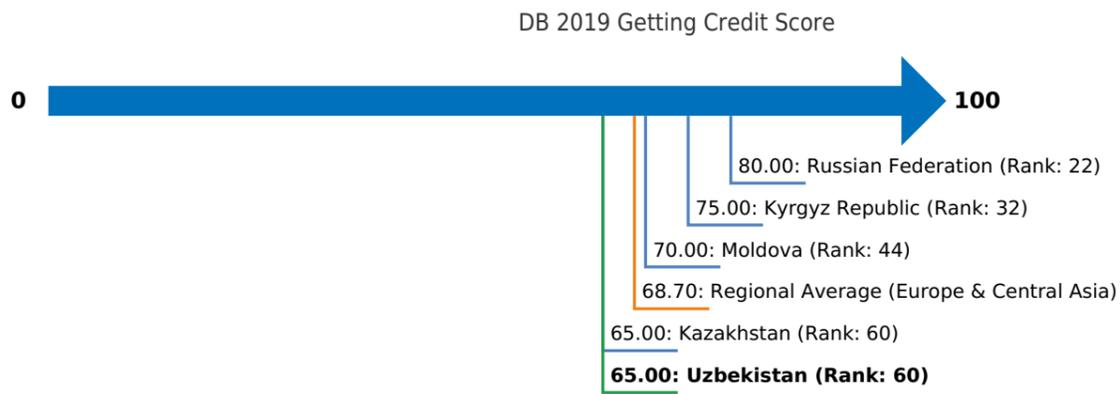
This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Strength of legal rights index (0-12)</b></p> <ul style="list-style-type: none"> <li>• Rights of borrowers and lenders through collateral laws (0-10)</li> <li>• Protection of secured creditors' rights through bankruptcy laws (0-2)</li> </ul> <p><b>Depth of credit information index (0-8)</b></p> <ul style="list-style-type: none"> <li>• Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)</li> </ul> <p><b>Credit bureau coverage (% of adults)</b></p> <ul style="list-style-type: none"> <li>• Number of individuals and firms listed in largest credit bureau as a percentage of adult population</li> </ul> <p><b>Credit registry coverage (% of adults)</b></p> <ul style="list-style-type: none"> <li>• Number of individuals and firms listed in credit registry as a percentage of adult population</li> </ul>	<p><i>Doing Business</i> assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.</p> <p>In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.</p> <p><b>Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:</b></p> <ul style="list-style-type: none"> <li>- ABC is a domestic limited liability company (or its legal equivalent).</li> <li>- ABC has up to 50 employees.</li> <li>- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> <li>- Both ABC and BizBank are 100% domestically owned.</li> </ul> <p>The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).</p> <p>In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.</p>

Getting Credit - Uzbekistan

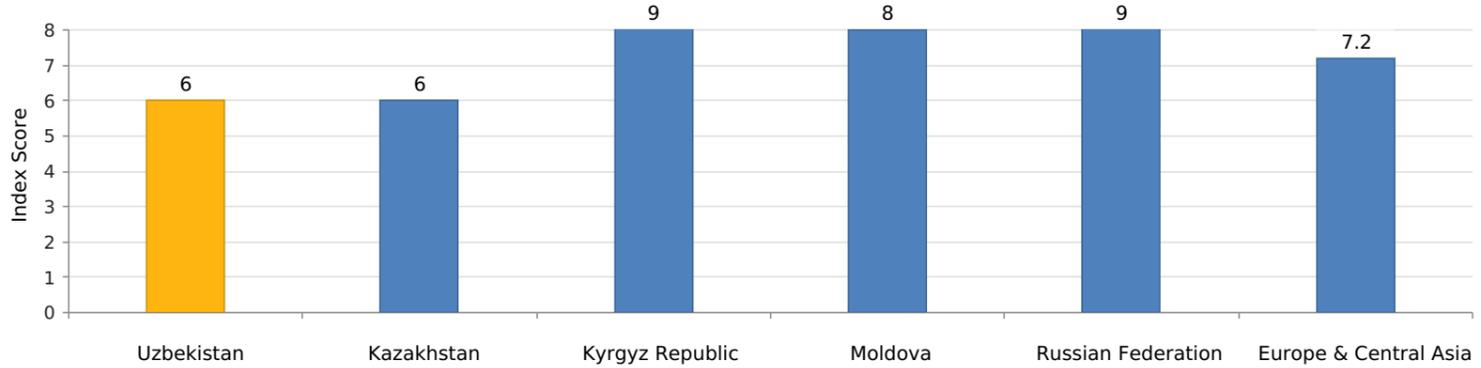
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	6	7.2	6.1	12 (5 Economies)
Depth of credit information index (0-8)	7	6.6	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	0	25.3	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	42.7	43.4	65.3	100.0 (25 Economies)

Figure - Getting Credit in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

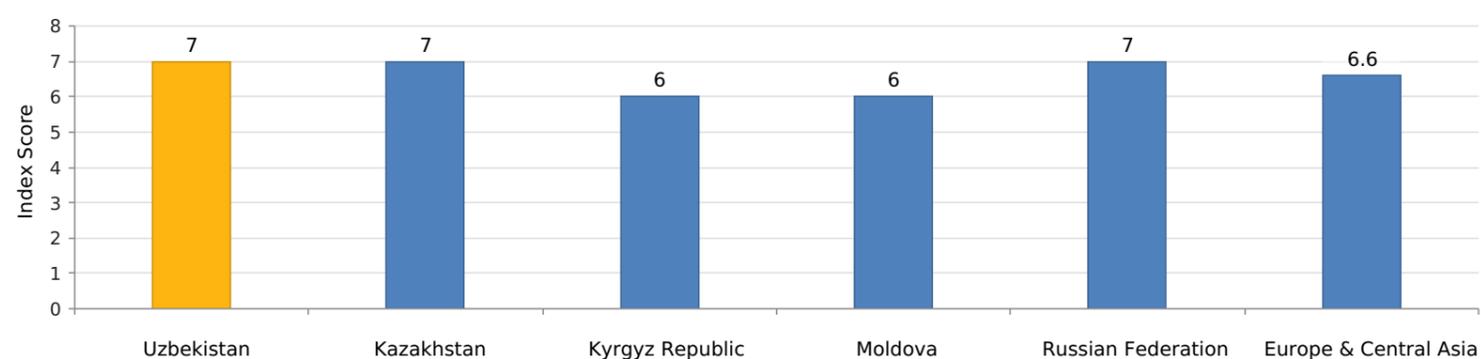
Figure - Legal Rights in Uzbekistan and comparator economies



Details - Legal Rights in Uzbekistan

<b>Strength of legal rights index (0-12)</b>	<b>6</b>
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	No
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	No
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	Yes
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	Yes
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	Yes
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	No
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	No
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	No
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	Yes

Figure - Credit Information in Uzbekistan and comparator economies



## Details - Credit Information in Uzbekistan

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative credit data distributed?	Yes	No	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	No	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	No	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	No	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
<b>Total Score ("yes" to either public bureau or private registry)</b>			<b>7</b>

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	8,703,113	0
Number of firms	647,778	0
Total	9,350,891	0
<b>Percentage of adult population</b>	<b>42.7</b>	<b>0</b>

## Protecting Minority Investors

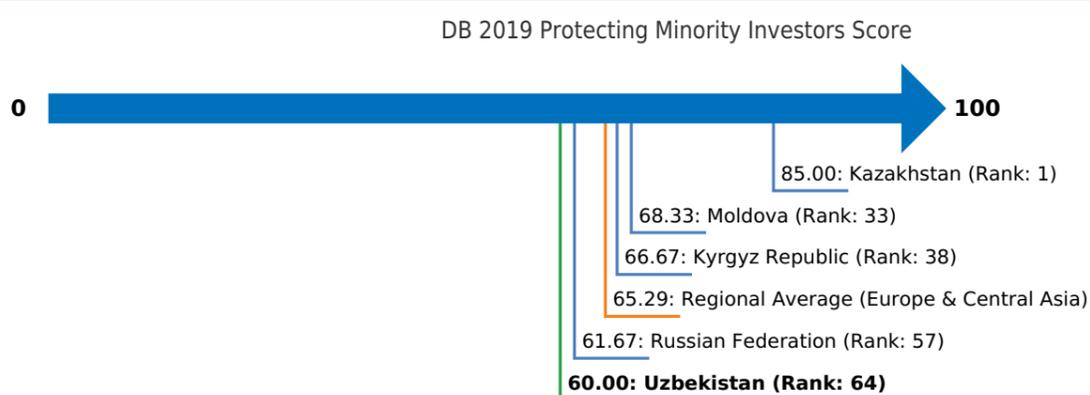
This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<ul style="list-style-type: none"> <li>• <b>Extent of disclosure index (0-10):</b> Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions</li> <li>• <b>Extent of director liability index (0-10):</b> Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)</li> <li>• <b>Ease of shareholder suits index (0-10):</b> Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses</li> <li>• <b>Extent of conflict of interest regulation index (0-10):</b> Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices</li> <li>• <b>Extent of shareholder rights index (0-10):</b> Shareholders' rights and role in major corporate decisions</li> <li>• <b>Extent of ownership and control index (0-10):</b> Governance safeguards protecting shareholders from undue board control and entrenchment</li> <li>• <b>Extent of corporate transparency index (0-10):</b> Corporate transparency on ownership stakes, compensation, audits and financial prospects</li> <li>• <b>Extent of shareholder governance index (0-10):</b> Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices</li> <li>• <b>Strength of minority investor protection index (0-10):</b> Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices</li> </ul>	<p>To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.</p> <p><b>The business (Buyer):</b></p> <ul style="list-style-type: none"> <li>- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.</li> <li>- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.</li> <li>- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.</li> <li>- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.</li> <li>- Is a manufacturing company with its own distribution network.</li> </ul> <p><b>The transaction involves the following details:</b></p> <ul style="list-style-type: none"> <li>- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.</li> <li>- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.</li> <li>- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.</li> <li>- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.</li> <li>- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.</li> <li>- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.</li> </ul>

Protecting Minority Investors - Uzbekistan

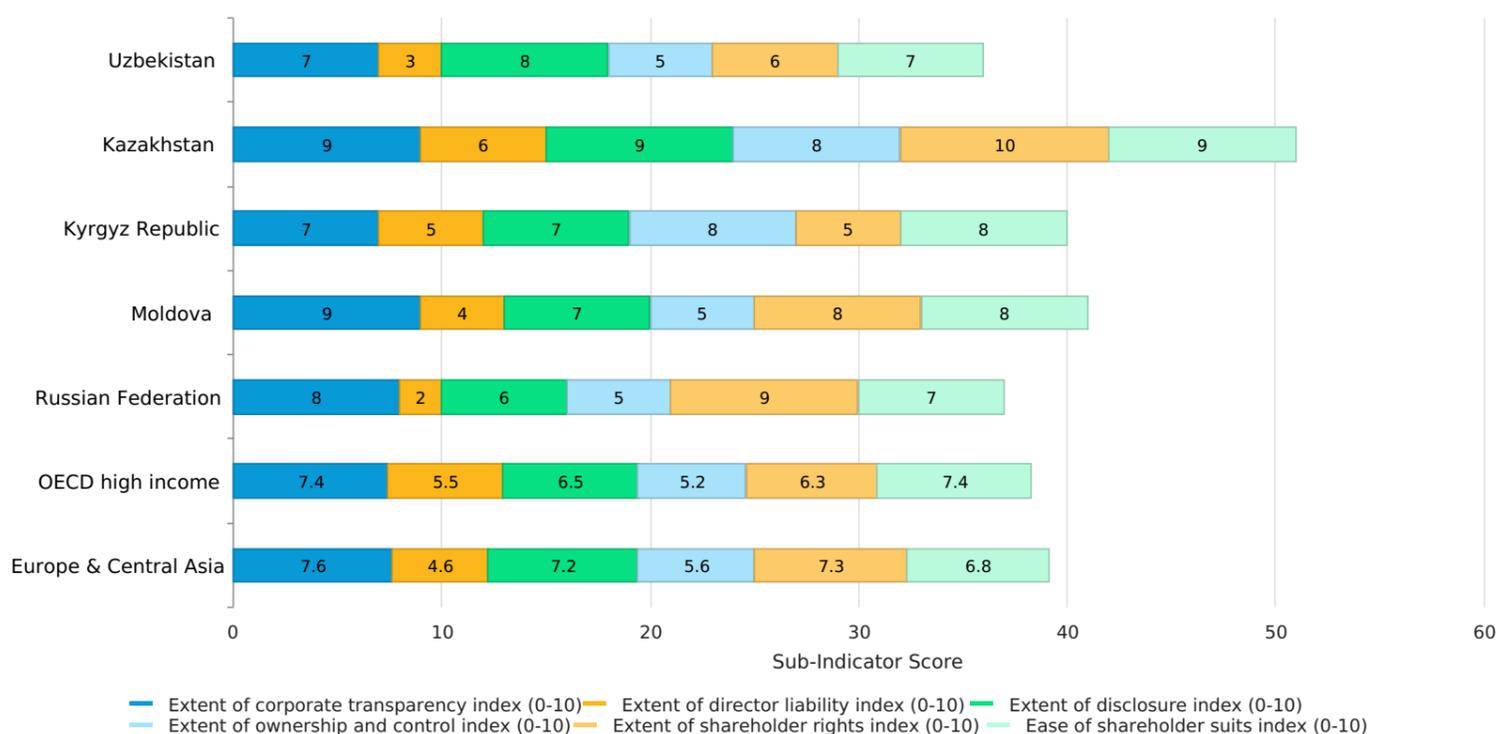
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	8.0	7.3	6.5	10 (13 Economies)
Extent of director liability index (0-10)	3.0	4.9	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	7.0	6.8	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	6.0	7.1	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	5.0	5.6	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	7.0	7.5	7.6	10 (6 Economies)

Figure - Protecting Minority Investors in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Uzbekistan and comparator economies - Measure of Quality



## Details - Protecting Minority Investors in Uzbekistan - Measure of Quality

	Answer	Score
<b>Extent of conflict of interest regulation index (0-10)</b>		<b>6</b>
<b>Extent of disclosure index (0-10)</b>		<b>8.0</b>
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders excluding interested parties	3.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction only	1.0
<b>Extent of director liability index (0-10)</b>		<b>3.0</b>
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Not liable	0.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Not liable	0.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	No	0.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
<b>Ease of shareholder suits index (0-10)</b>		<b>7.0</b>
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Documents that directly prove specific facts in the plaintiff's claim	2.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	Yes	2.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
<b>Extent of shareholder governance index (0-10)</b>		<b>6.0</b>
<b>Extent of shareholder rights index (0-10)</b>		<b>6.0</b>
Does the sale of 51% of Buyer's assets require shareholder approval?	Yes	1.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0

Do shareholders automatically receive preemption rights every time Buyer issues new shares?	No	0.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	No	0.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	No	0.0
<b>Extent of ownership and control index (0-10)</b>		<b>5.0</b>
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	Yes	1.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	No	0.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
<b>Extent of corporate transparency index (0-10)</b>		<b>7.0</b>
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	No	0.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	No	0.0

## Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). [See the methodology for more information.](#)

### What the indicators measure

#### Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

#### Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

#### Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

#### Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

### Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

#### The VAT refund process:

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

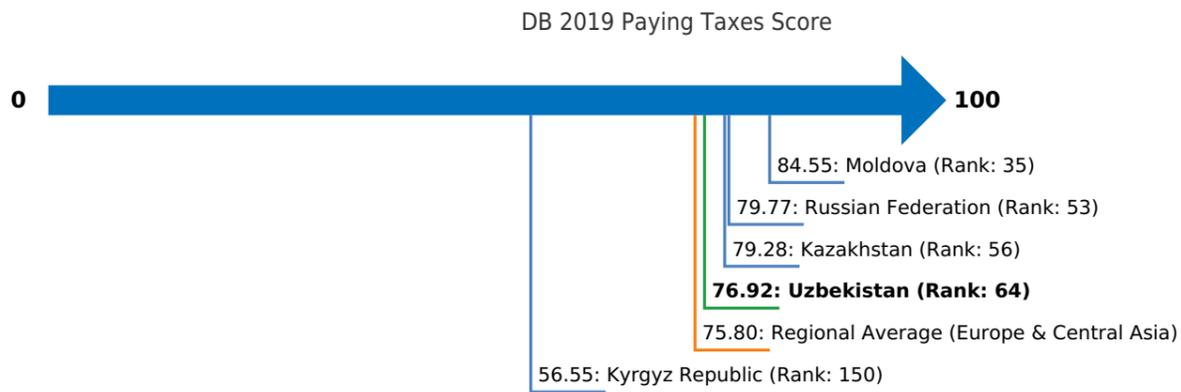
#### The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - Uzbekistan

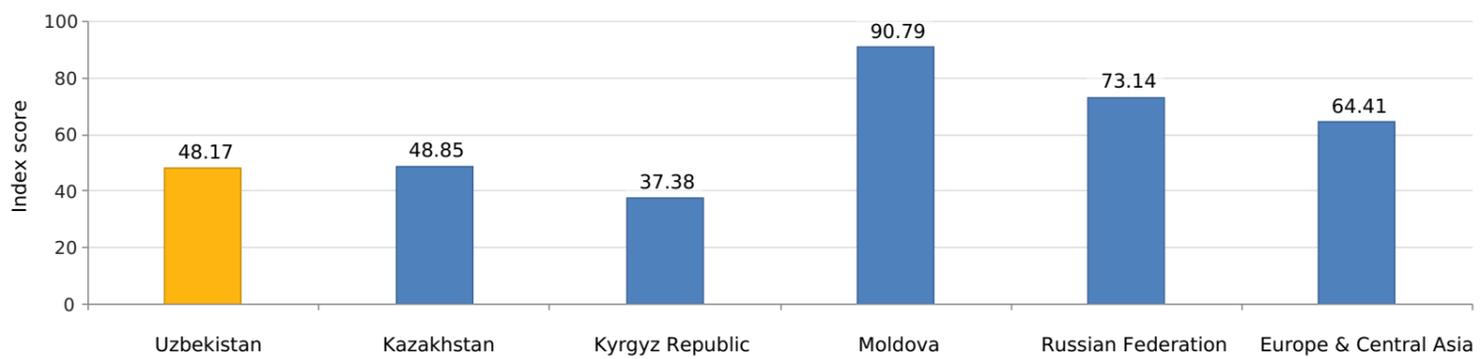
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Payments (number per year)	10	16.6	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	181	214.8	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	32.1	32.3	39.8	26.1% (32 Economies)
Postfiling index (0-100)	48.17	64.41	84.41	None in 2017/18

Figure - Paying Taxes in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Uzbekistan and comparator economies - Measure of Quality



## Details - Paying Taxes in Uzbekistan

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Unified social payment	1.0		66.0	15%	gross salaries	17.38	
Corporate income tax	1.0		64.0	7.5%	taxable profit	6.32	
Infrastructure development tax	1.0			8%	taxable income after corporate income tax	6.24	
Land tax	1.0			various rates	land area	1.90	
Tax on interest	1.0	withheld		10%	interest income	0.26	
Environmental tax	1.0			various rates	tons of waste	0.02	
Employee paid - Cumulative Pension Fund contribution	1.0			1%	gross salaries	0.00	withheld
Employee paid - Personal Pension Fund contribution	1.0	filed jointly with USP, but paid separately		8.0%	gross salaries	0.00	withheld
Value added tax (VAT)	1.0		51.0	20%	value added	0.00	not included
Water tax	1.0	withheld		various rates	water consumption	0.00	small amount
Totals	10		181			32.1	

## Details - Paying Taxes in Uzbekistan - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	12.6
Labor tax and contributions (% of profit)	17.4
Other taxes (% of profit)	2.2

## Details - Paying Taxes in Uzbekistan - Measure of Quality

	Answer	Score
<b>Postfiling index (0-100)</b>		<b>48.17</b>
<b>VAT refunds</b>		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	No	
Restrictions on VAT refund process	Restricted to international traders and others	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	Yes	
Time to comply with VAT refund (hours)	No VAT refund per case study scenario	0
Time to obtain a VAT refund (weeks)	No VAT refund per case study scenario	0
<b>Corporate income tax audits</b>		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	5.5	92.66
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

**Notes:** Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

## Trading across Borders

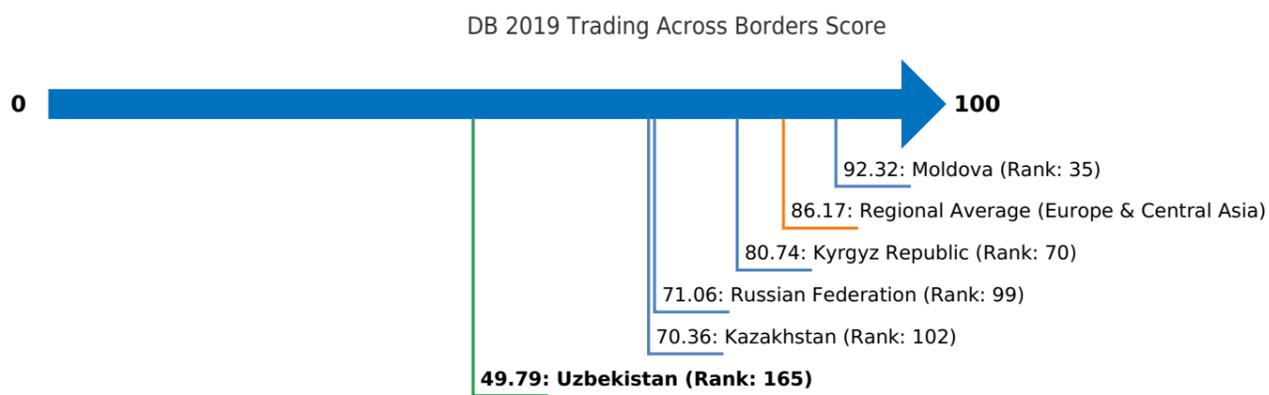
*Doing Business* records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Documentary compliance</b></p> <ul style="list-style-type: none"> <li>• Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy</li> <li>• Obtaining, preparing and submitting documents required by destination economy and any transit economies</li> <li>• Covers all documents required by law and in practice, including electronic submissions of information</li> </ul> <p><b>Border compliance</b></p> <ul style="list-style-type: none"> <li>• Customs clearance and inspections</li> <li>• Inspections by other agencies (if applied to more than 20% of shipments)</li> <li>• Handling and inspections that take place at the economy's port or border</li> </ul> <p><b>Domestic transport</b></p> <ul style="list-style-type: none"> <li>• Loading or unloading of the shipment at the warehouse or port/border</li> <li>• Transport between warehouse and port/border</li> <li>• Traffic delays and road police checks while shipment is en route</li> </ul>	<p>To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:</p> <p><b>Time:</b> Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.</p> <p><b>Cost:</b> Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.</p> <p><b>Assumptions of the case study:</b></p> <ul style="list-style-type: none"> <li>- For all 190 economies covered by <i>Doing Business</i>, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.</li> <li>- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.</li> <li>- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.</li> <li>- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.</li> <li>- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.</li> <li>- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.</li> </ul>

Trading across Borders - Uzbekistan

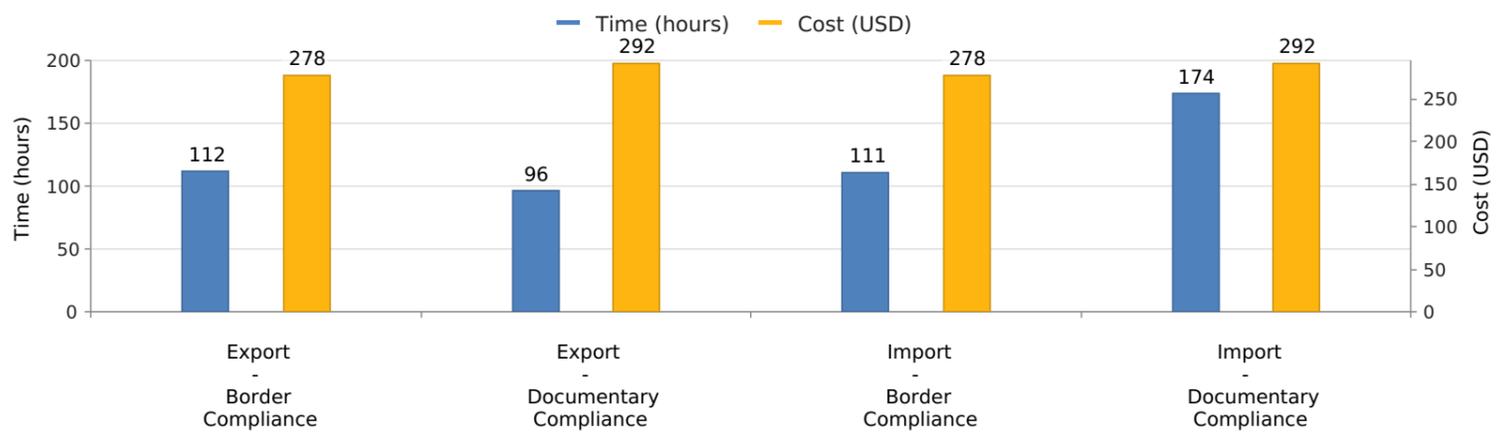
Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	112	22.1	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	278	157.5	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	96	24.3	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	292	97.9	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	111	21.1	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	278	162.3	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	174	24.7	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	292	93.9	24.9	0 (30 Economies)

Figure - Trading across Borders in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Uzbekistan - Time and Cost



## Details - Trading across Borders in Uzbekistan

Characteristics	Export	Import
Product	HS 52 : Cotton	HS 8708: Parts and accessories of motor vehicles
Trade partner	Russian Federation	Russian Federation
Border	Beyneu border crossing	Yallama border crossing
Distance (km)	1515	60
Domestic transport time (hours)	52	2
Domestic transport cost (USD)	1065	58

## Details - Trading across Borders in Uzbekistan - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	85.9	277.9
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	25.8	0.0
Import: Clearance and inspections required by customs authorities	85.9	277.9
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	24.7	0.0

## Details - Trading across Borders in Uzbekistan - Trade Documents

Export	Import
Export declaration	Customs Import Declaration
Export contract	Certificate of origin
Certificate of conformity	Commercial invoice
Invoice	Packing list
Packing list	Serial/code numbers
CMR	CMR waybill
Certificate of origin	Certificate of conformity
Export license for cotton	Expert decision determining the code of the product
Certificate of fumigation	
Phytosanitary certificate	

## Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Time required to enforce a contract through the courts (calendar days)</b></p>	<p>The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.</p>
<ul style="list-style-type: none"> <li>• Time to file and serve the case</li> <li>• Time for trial and to obtain the judgment</li> <li>• Time to enforce the judgment</li> </ul>	<p>To make the data comparable across economies, <i>Doing Business</i> uses several assumptions about the case:</p>
<p><b>Cost required to enforce a contract through the courts (% of claim)</b></p>	<ul style="list-style-type: none"> <li>- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.</li> </ul>
<ul style="list-style-type: none"> <li>• Attorney fees</li> <li>• Court fees</li> <li>• Enforcement fees</li> </ul>	<ul style="list-style-type: none"> <li>- The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.</li> </ul>
<p><b>Quality of judicial processes index (0-18)</b></p>	<ul style="list-style-type: none"> <li>- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.</li> </ul>
<ul style="list-style-type: none"> <li>• Court structure and proceedings (-1-5)</li> </ul>	<ul style="list-style-type: none"> <li>- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000.</li> </ul>
<ul style="list-style-type: none"> <li>• Case management (0-6)</li> </ul>	<ul style="list-style-type: none"> <li>- The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.</li> </ul>
<ul style="list-style-type: none"> <li>• Court automation (0-4)</li> </ul>	<ul style="list-style-type: none"> <li>- The dispute on the quality of the goods requires an expert opinion.</li> </ul>
<ul style="list-style-type: none"> <li>• Alternative dispute resolution (0-3)</li> </ul>	<ul style="list-style-type: none"> <li>- The judge decides in favor of the seller; there is no appeal.</li> </ul>
	<ul style="list-style-type: none"> <li>- The seller enforces the judgment through a public sale of the buyer's movable assets.</li> </ul>

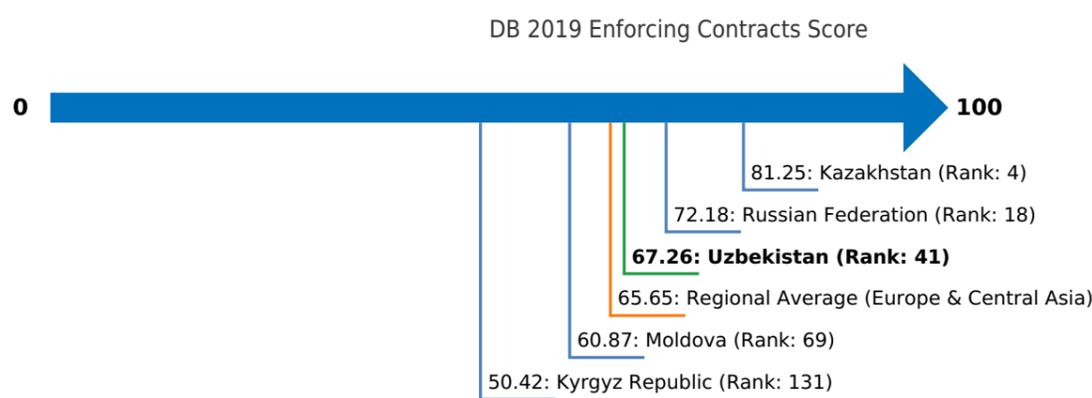
Enforcing Contracts - Uzbekistan

Standardized Case

Claim value	UZS 14,346,158
Court name	Tashkent Interdistrict Commercial Court
City Covered	Tashkent

Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Time (days)	225	496.3	582.4	None in 2017/18
Cost (% of claim value)	20.5	26.3	21.2	None in 2017/18
Quality of judicial processes index (0-18)	6.0	10.3	11.5	None in 2017/18

Figure - Enforcing Contracts in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Uzbekistan - Time and Cost

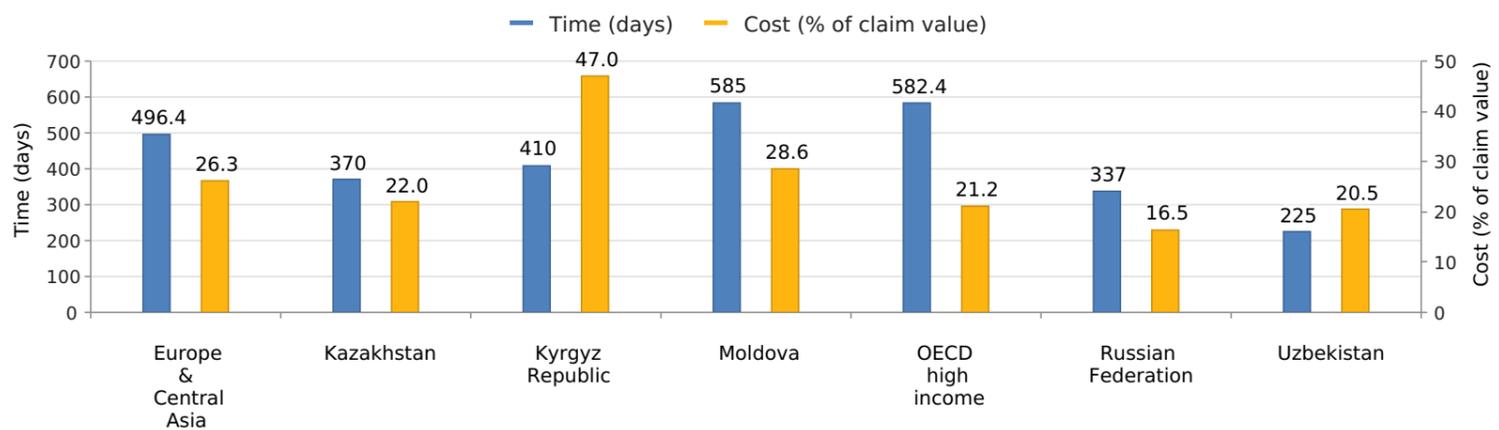
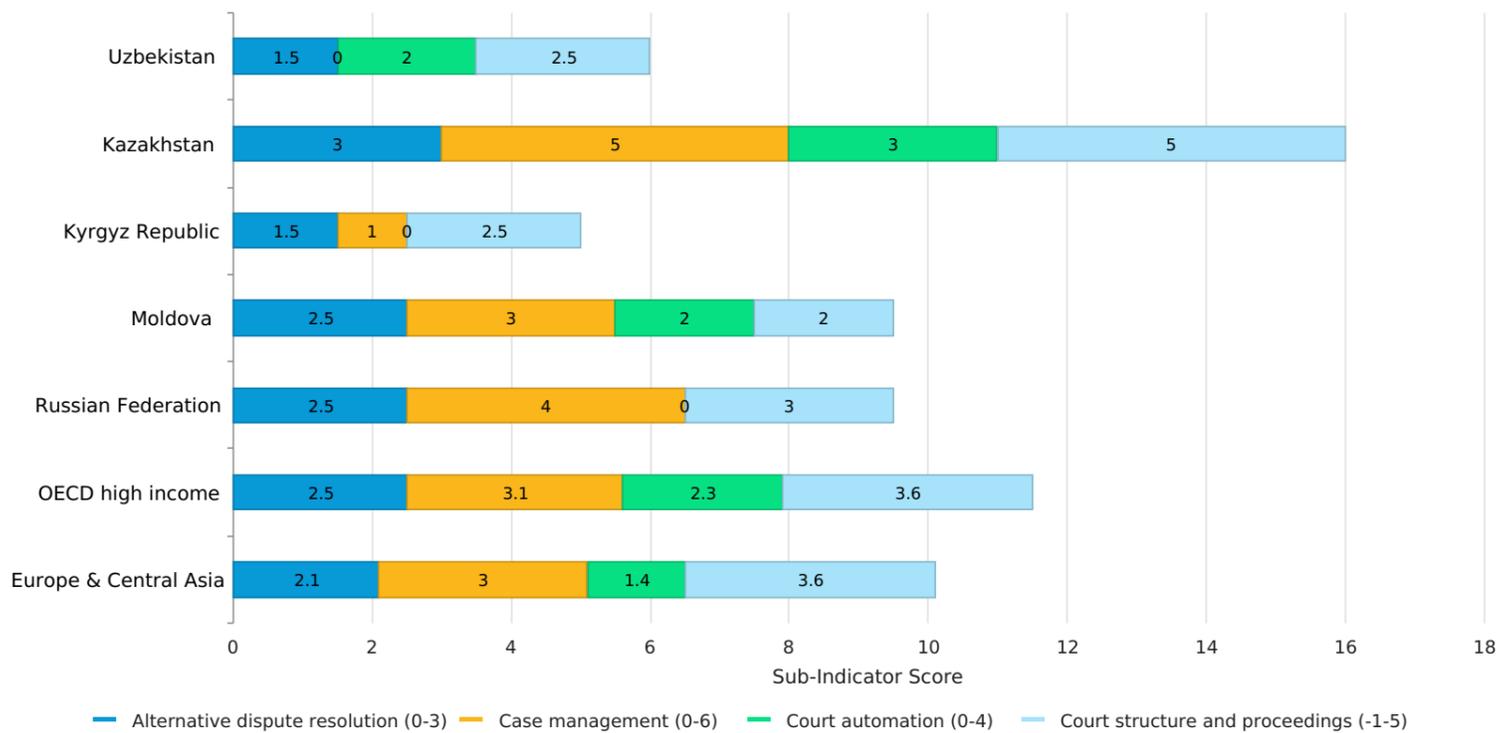


Figure - Enforcing Contracts in Uzbekistan and comparator economies - Measure of Quality



Details - Enforcing Contracts in Uzbekistan

	Indicator
<b>Time (days)</b>	<b>225</b>
Filing and service	30
Trial and judgment	90
Enforcement of judgment	105
<b>Cost (% of claim value)</b>	<b>20.5</b>
Attorney fees	15
Court fees	3.5
Enforcement fees	2
<b>Quality of judicial processes index (0-18)</b>	<b>6.0</b>
Court structure and proceedings (-1-5)	2.5
Case management (0-6)	0.0
Court automation (0-4)	2.0
Alternative dispute resolution (0-3)	1.5

## Details - Enforcing Contracts in Uzbekistan - Measure of Quality

	Answer	Score
<b>Quality of judicial processes index (0-18)</b>		<b>6.0</b>
<b>Court structure and proceedings (-1-5)</b>		<b>2.5</b>
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		0.0
2.a. Is there a small claims court or a fast-track procedure for small claims?	No	
2.b. If yes, is self-representation allowed?	n.a.	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	No	0.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
<b>Case management (0-6)</b>		<b>0.0</b>
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	No	0.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	No	0.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	No	0.0
<b>Court automation (0-4)</b>		<b>2.0</b>
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	yes	1.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		0.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
<b>Alternative dispute resolution (0-3)</b>		<b>1.5</b>
1. Arbitration		1.0

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	No	
2. Mediation/Conciliation		0.5
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	No	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	No	

## Resolving Insolvency

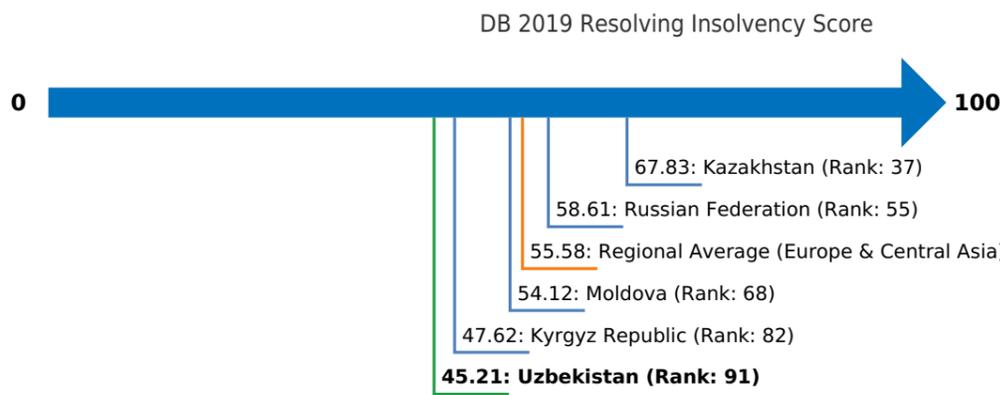
*Doing Business* studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p><b>Time required to recover debt (years)</b></p> <ul style="list-style-type: none"> <li>• Measured in calendar years</li> <li>• Appeals and requests for extension are included</li> </ul>	<p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p>
<p><b>Cost required to recover debt (% of debtor's estate)</b></p> <ul style="list-style-type: none"> <li>• Measured as percentage of estate value</li> <li>• Court fees</li> <li>• Fees of insolvency administrators</li> <li>• Lawyers' fees</li> <li>• Assessors' and auctioneers' fees</li> <li>• Other related fees</li> </ul>	<ul style="list-style-type: none"> <li>- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.</li> <li>- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.</li> <li>- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.</li> </ul>
<p><b>Outcome</b></p> <ul style="list-style-type: none"> <li>• Whether business continues operating as a going concern or business assets are sold piecemeal</li> </ul>	<p>In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.</p>
<p><b>Recovery rate for creditors</b></p> <ul style="list-style-type: none"> <li>• Measures the cents on the dollar recovered by secured creditors</li> <li>• Outcome for the business (survival or not) determines the maximum value that can be recovered</li> <li>• Official costs of the insolvency proceedings are deducted</li> <li>• Depreciation of furniture is taken into account</li> <li>• Present value of debt recovered</li> </ul>	
<p><b>Strength of insolvency framework index (0- 16)</b></p> <ul style="list-style-type: none"> <li>• Sum of the scores of four component indices:</li> <li>• Commencement of proceedings index (0-3)</li> <li>• Management of debtor's assets index (0-6)</li> <li>• Reorganization proceedings index (0-3)</li> <li>• Creditor participation index (0-4)</li> </ul>	

Resolving Insolvency - Uzbekistan

Indicator	Uzbekistan	Europe & Central Asia	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	37.6	38.6	70.5	None in 2017/18
Time (years)	2.0	2.3	1.7	0.4 (Ireland)
Cost (% of estate)	10.0	13.2	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	0	..	..	..
Strength of insolvency framework index (0-16)	8.0	11.1	11.9	None in 2017/18

Figure - Resolving Insolvency in Uzbekistan and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Uzbekistan - Time and Cost

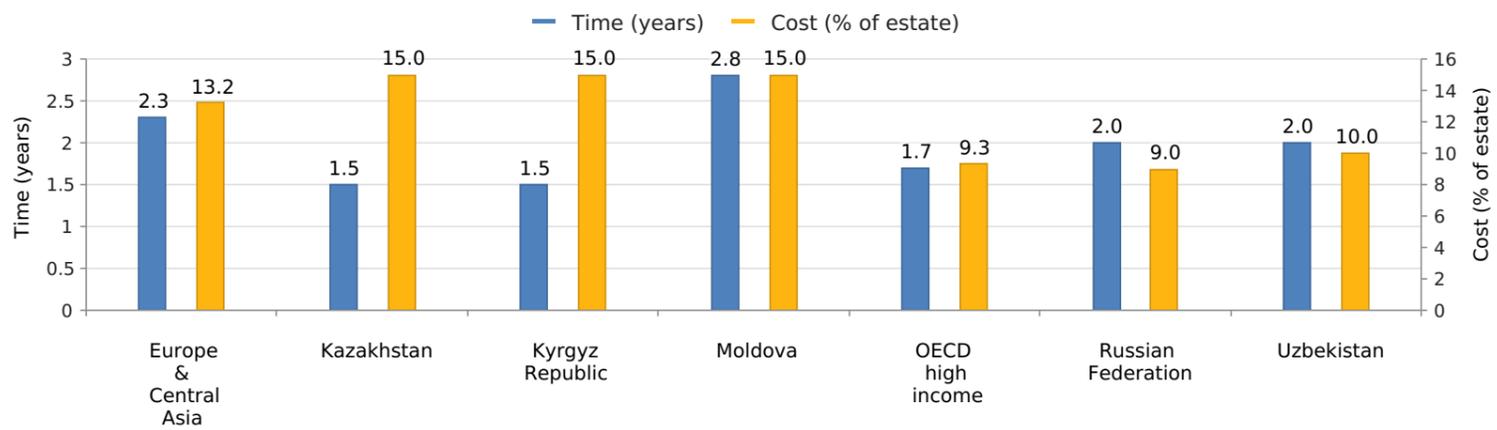
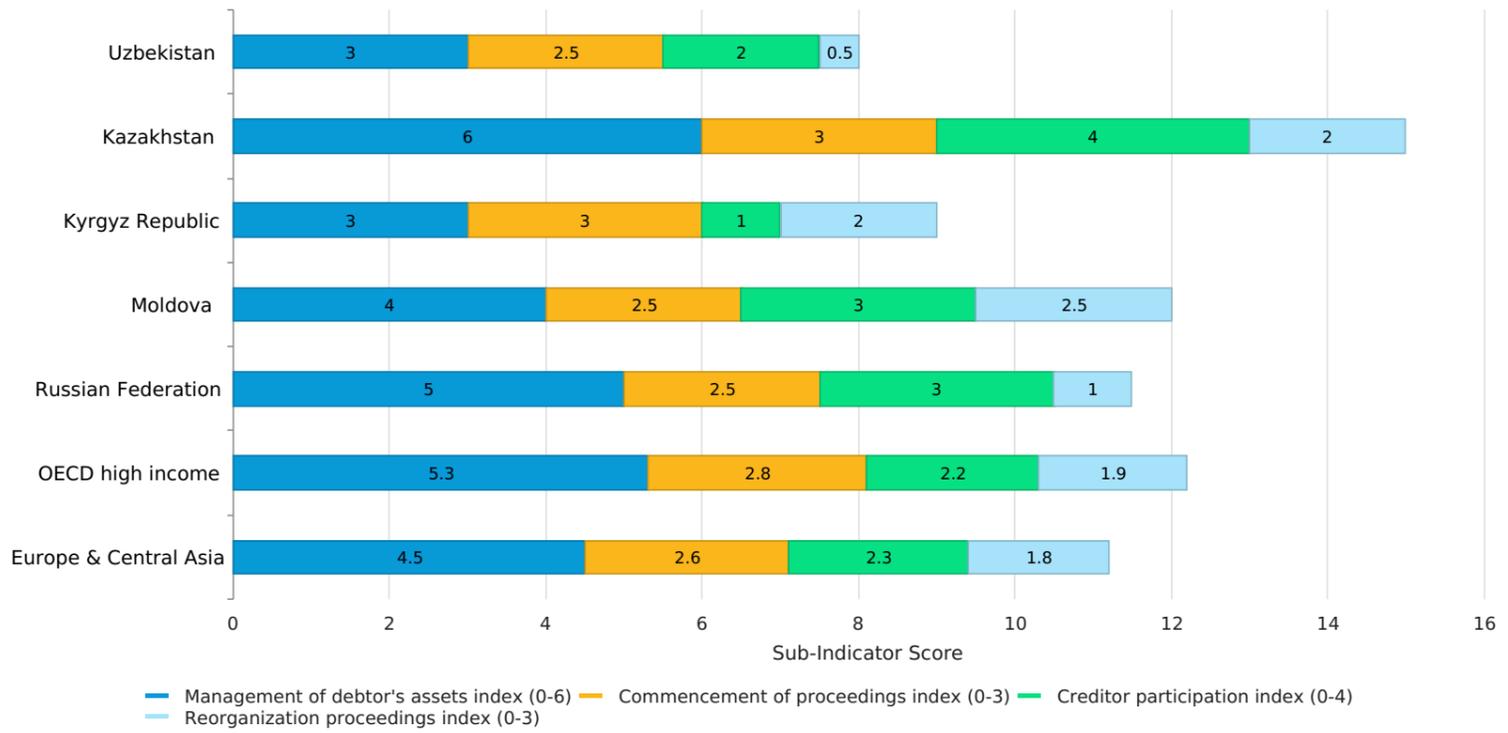
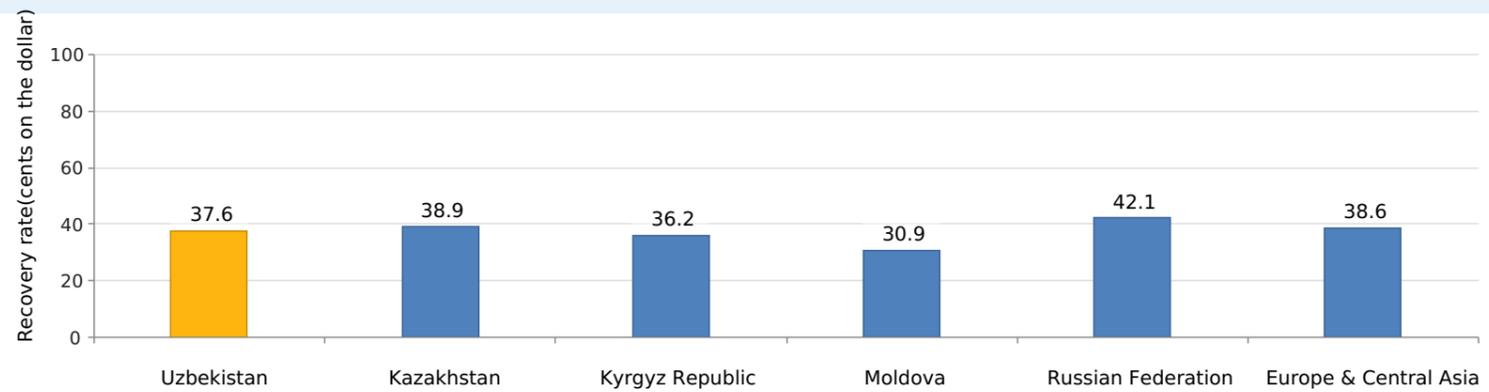


Figure - Resolving Insolvency in Uzbekistan and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Uzbekistan and comparator economies - Recovery Rate



## Details - Resolving Insolvency in Uzbekistan

Indicator	Answer	Score
Proceeding	liquidation	Liquidation is the most likely procedure because there are several creditors involved and the debts of the hotel significantly exceed the permissible limits under Uzbekistan law. Reorganization is not often achieved in Uzbekistan for private companies.
Outcome	piecemeal sale	Hotel's assets are likely to be sold piecemeal because currently it would be very difficult to find a buyer willing to purchase the entire hotel and continue operating it.
Time (in years)	2.0	The petition to initiate liquidation of the debtor will be lodged with the court upon expiration of three months from the moment when monetary obligations became due. Following the acceptance of the petition, the court will issue an order to consider the case (1-2 months). Then the Court will commence supervisory proceedings (from 6 to 12 months). The court will also appoint an administrator, who will take over the company's financials, publish notice of bankruptcy, receive claims from creditors and try to reach settlements between them, whenever possible, and prepare a register of creditors' claims. The administrator also must prepare an interim balance sheet of the debtor and present it to the creditors, who will have to approve it. The hotel will then go into liquidation. A public auction will be held to sell the assets, after which the creditors will be paid and the company will be liquidated. Liquidation generally lasts between 6 and 12 months.
Cost (% of estate)	10.0	The total cost of the proceedings will amount to around 10% of the value of the estate. Main expenses will include attorneys' fees (up to 3%), remuneration and fees of the administrator (up to 4%), fees of other professionals involved in the insolvency proceedings, such as accountants and assessors (2%), and auctioneer's fees - (up to 2%).
Recovery rate (cents on the dollar)		37.6

## Details - Resolving Insolvency in Uzbekistan - Measure of Quality

	Answer	Score
<b>Strength of insolvency framework index (0-16)</b>		<b>8.0</b>
<b>Commencement of proceedings index (0-3)</b>		<b>2.5</b>
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(a) Debtor is generally unable to pay its debts as they mature	1.0
<b>Management of debtor's assets index (0-6)</b>		<b>3.0</b>
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	No	0.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	No	0.0
Does the insolvency framework allow avoidance of undervalued transactions?	No	0.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(b) Yes over ordinary unsecured creditors but not over secured creditors	1.0
<b>Reorganization proceedings index (0-3)</b>		<b>0.5</b>
Which creditors vote on the proposed reorganization plan?	(a) All creditors	0.5
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	No	0.0
<b>Creditor participation index (0-4)</b>		<b>2.0</b>
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	Yes	1.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	No	0.0

**Note:** Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

## Labor Market Regulation

*Doing Business* presents detailed data for the labor market regulation indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

#### Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

#### Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

#### Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

#### Job quality

(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

### Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

#### The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

#### The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

## Labor Market Regulation - Uzbekistan

## Details - Labor Market Regulation in Uzbekistan

	Answer
<b>Hiring</b>	
Fixed-term contracts prohibited for permanent tasks?	Yes
Maximum length of a single fixed-term contract (months)	60.0
Maximum length of fixed-term contracts, including renewals (months)	60.0
Minimum wage applicable to the worker assumed in the case study (US\$/month)	105.9
Ratio of minimum wage to value added per worker	0.4
Maximum length of probationary period (months)	3.0
<b>Working hours</b>	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	50.0
Premium for work on weekly rest day (% of hourly pay)	100.0
Premium for overtime work (% of hourly pay)	100.0
Restrictions on night work?	No
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	15.0
Paid annual leave for a worker with 5 years of tenure (working days)	15.0
Paid annual leave for a worker with 10 years of tenure (working days)	15.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	15.0
<b>Redundancy rules</b>	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	Yes
Priority rules for redundancies?	Yes
Priority rules for reemployment?	No
<b>Redundancy cost</b>	
Notice period for redundancy dismissal for a worker with 1 year of tenure	8.7
Notice period for redundancy dismissal for a worker with 5 years of tenure	8.7
Notice period for redundancy dismissal for a worker with 10 years of tenure	8.7
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	8.7
Severance pay for redundancy dismissal for a worker with 1 year of tenure	8.7

Severance pay for redundancy dismissal for a worker with 5 years of tenure	8.7
Severance pay for redundancy dismissal for a worker with 10 years of tenure	8.7
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	8.7
<b>Job quality</b>	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	No
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	126.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	0.0

## Business Reforms in Uzbekistan

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

---

### DB2019

- ✓ **Protecting Minority Investors:** Uzbekistan strengthened minority investor protections by clarifying the ownership and control structures of listed companies.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes less costly by introducing new classification criteria for enterprises. The new classification allows small enterprises to pay a single social contribution at a fixed rate, but not less than 65% of the minimum wage for each employee.
- ✓ **Trading across Borders:** Uzbekistan made trading across borders faster by introducing an electronic application and payment system for several export certificates, reducing the time for export documentary compliance.

---

### DB2018

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by rolling out a new platform for business registration, starting with name verification as the first step.
- ✓ **Dealing with Construction Permits:** Uzbekistan made dealing with construction permits easier by streamlining the process of obtaining approvals of land plot allocations from various agencies.
- ✓ **Getting Electricity:** Uzbekistan streamlined the process of obtaining an electricity connection by introducing a turnkey service at the utility that fulfills all connection-related services, including the design and completion of the external connection.
- ✓ **Protecting Minority Investors:** Uzbekistan strengthened minority investor protections by increasing corporate transparency requirements.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes easier and less costly by introducing an electronic system for filing and paying VAT, land tax, unified social payments, CIT, infrastructure development tax, environmental tax, personal pension fund contributions and cumulative pension contributions. On the other hand, land tax rates were increased.

---

### DB2017

- ✓ **Registering Property:** Uzbekistan made transferring a property easier by increasing transparency of information.
- ✓ **Protecting Minority Investors:** Uzbekistan strengthened minority investor protections by clarifying ownership and control structures.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes less costly by reducing the unified social payment rate paid by employers and the corporate income tax rate. However, the land tax rates in city of Tashkent increased.

---

### DB2016

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by introducing an online one-stop shop and streamlining registration procedures.
- ✓ **Registering Property:** Uzbekistan made transferring property easier by eliminating the requirement to provide several different nonencumbrance certificates, though it also increased the costs associated with property transfers.
- ✓ **Getting Credit:** Uzbekistan improved access to credit by adopting new laws on secured transactions that allow a general description of assets granted as collateral and establish a modern, unified, notice-based collateral registry.

---

### DB2015

- ✓ **Protecting Minority Investors:** Uzbekistan strengthened minority investor protections by introducing a requirement for public joint stock companies to disclose information about related-party transactions in their annual report; setting higher standards for disclosure of such transactions to the board of directors; and establishing the right of shareholders to receive all documents related to such transactions.
- ✓ **Trading across Borders:** Uzbekistan made trading across borders easier by reducing the number of documents to export and import and by making it possible to submit documents electronically.

---

DB2014

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by abolishing the paid-in minimum capital requirement and by eliminating the requirement to have signature samples notarized before opening a bank account.
- ✓ **Registering Property:** Uzbekistan made transferring property easier by reducing the notary fees.
- ✓ **Getting Credit:** Uzbekistan improved access to credit information by expanding the scope of credit information and requiring that more than 2 years of historical data be collected and distributed.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes easier for companies by eliminating some small taxes.
- ✓ **Trading across Borders:** Uzbekistan made trading across borders easier by eliminating the need to register import contracts with customs, tightening the time limits for banks to register export or import contracts and reducing the number of export documents required.
- ✓ **Enforcing Contracts:** Uzbekistan made enforcing contracts easier by introducing an electronic filing system for court users.

---

DB2013

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by introducing an online facility for name reservation and eliminating the fee to open a bank account for small businesses.
- ✓ **Getting Credit:** Uzbekistan improved access to credit information by guaranteeing borrowers' right to inspect their personal data.
- ✓ **Trading across Borders:** Uzbekistan reduced the time to export by introducing a single window for customs clearance and reduced the number of documents needed for each import transaction.
- ✓ **Resolving Insolvency:** Uzbekistan strengthened its insolvency process by introducing new time limits for insolvency proceedings and new time limits and procedures for the second auction and by making it possible for businesses to continue operating throughout the liquidation proceeding.

---

DB2012

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by reducing the minimum capital requirement, eliminating 1 procedure and reducing the cost of registration.

---

DB2011

- ✗ **Dealing with Construction Permits:** Uzbekistan increased all fees for procedures relating to construction permits.

---

DB2010

- ✓ **Dealing with Construction Permits:** Uzbekistan made dealing with construction permits less costly by reducing the building permit fees.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes easier for companies through a new tax code combining corporate income tax provisions.

---

DB2009

- ✓ **Getting Credit:** In Uzbekistan a private credit bureau (Inter Bank Kredit Bureau) started collecting information on the repayment patterns of individual borrowers as well as firms.

---

DB2008

- ✓ **Starting a Business:** Uzbekistan made starting a business easier by eliminating the requirement for substantive review at the registry, simplifying internal procedures and clarifying rules for refusal of registration.
- ✓ **Registering Property:** Uzbekistan made registering property easier and less costly by introducing a formula for calculating the fee to notarize a property sale agreement that takes into account the minimum wage.
- ✓ **Paying Taxes:** Uzbekistan made paying taxes easier and less costly for companies by abolishing the ecology tax, reducing the number of payments required for the corporate income tax and reducing the corporate income tax rate and the unified social payment rate.
- ✓ **Resolving Insolvency:** Uzbekistan made resolving insolvency easier by adopting legislation on the voluntary liquidation of private companies.

*Doing Business 2019* is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

ISBN 978-1-4648-1146-3



SKU 211146

[www.doingbusiness.org](http://www.doingbusiness.org)