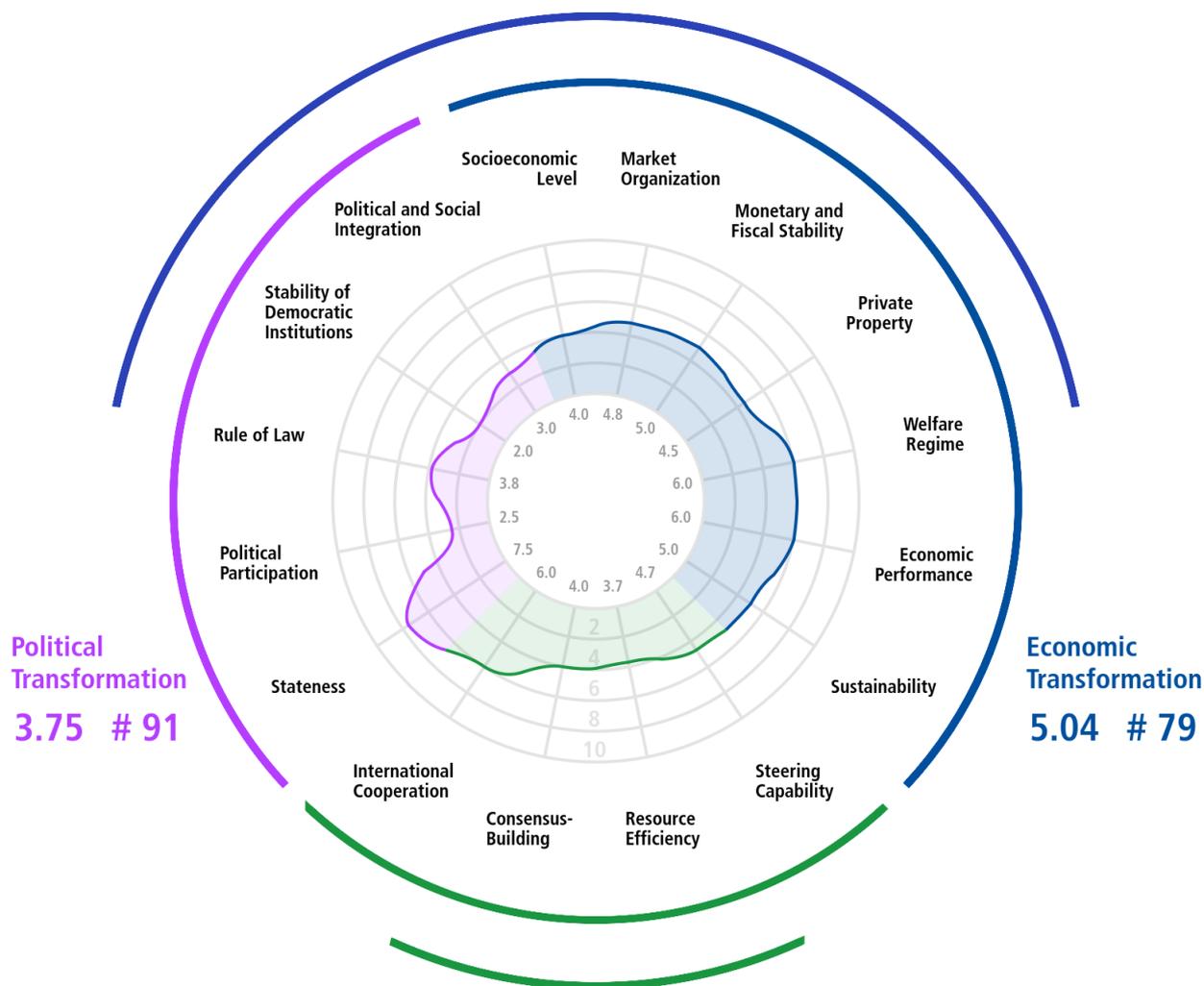


Uzbekistan

Status Index

4.39 # 92

on 1-10 scale out of 137



Political Transformation
3.75 # 91

Economic Transformation
5.04 # 79

Governance Index

4.10 # 90

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Strasse 256
33111 Gütersloh
Germany

Sabine Donner

Phone +49 5241 81 81501
sabine.donner@bertelsmann-stiftung.de

Hauke Hartmann

Phone +49 5241 81 81389
hauke.hartmann@bertelsmann-stiftung.de

Sebastian Plate

Phone +49 5241 81 81263
sebastian.plate@bertelsmann-stiftung.de

Sabine Steinkamp

Phone +49 5241 81 81507
sabine.steinkamp@bertelsmann-stiftung.de

Key Indicators

Population	M	36.4	HDI	0.740	GDP p.c., PPP \$	11879
Pop. growth ¹	% p.a.	2.0	HDI rank of 193	107	Gini Index	34.6
Life expectancy	years	72.4	UN Education Index	0.743	Poverty ³	% 5.0
Urban population	%	50.6	Gender inequality ²	0.291	Aid per capita \$	33.7

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Between 2023 and 2024, Uzbekistan underwent a series of contentious developments in its domestic and foreign policy. First, in April 2023, the Uzbek government pushed through a referendum making several controversial amendments to the constitution. The new text contains multiple historical inaccuracies and political distortions. Following the referendum, presidential elections were held, resulting in the incumbent's re-election.

The October 2024 parliamentary elections marked a further retrenchment in democratic standards, even compared with the previous elections. These developments suggest a stagnation, if not a reversal, in political reform, exacerbated by the absence of opposition parties, which has intensified dysfunction in the country's party system. The newly elected Oliy Majlis (parliament) adopted a mixed electoral system with half the seats filled on a majoritarian basis and the other half allocated proportionally to parties.

Despite administrative reforms that began in 2022, the state apparatus remains plagued by a shortage of qualified personnel, and continues to grapple with widespread corruption and nepotism. Uzbekistan has also faced a severe energy crisis, which has in turn exposed deeper infrastructural and systemic issues related to corruption and ineffective governance.

To address Uzbekistan's development challenges, the government adopted the Uzbekistan-2030 strategy. Comprising 100 provisions, the strategy addresses all areas of state activity at home and abroad. The Development Strategy of Uzbekistan 2022 – 2026 was also introduced, and 2025 was designated the "Year of Environmental Protection and the 'Green' Economy." However, this declaration proved incongruous with the widespread environmental damage caused by rampant deforestation and hasty construction projects that continue to devastate the nation's natural landscapes.

The February 2022 war in Ukraine presented a critical challenge for all former Soviet republics, including Uzbekistan, and created a complex geopolitical landscape in which Uzbekistan's domestic and foreign policies have evolved. Several Uzbek companies have been sanctioned for involvement with Russian businesses; that involvement indirectly contributed to Russia's military efforts in Ukraine.

Uzbekistan's growing dependence on Russia became evident even as numerous hostile and demeaning statements from Russian officials underscored the deepening ties. Although relations within Central Asia were heralded as a priority of Uzbekistan's foreign policy, the past two years indicated a clear pro-Russian shift in Tashkent's diplomatic stance. In 2023 – 2024, the Uzbek president met with his Russian counterpart at least 10 times. The Sixth Consultative Meeting of Central Asian presidents, held in Astana in August 2024, exposed growing regional uncertainty about the pace and nature of integration within Central Asia.

Although Uzbekistan has resisted full membership in the Russia-led Eurasian Economic Union (EAEU), opting to remain an observer, it has made symbolic gestures to placate Moscow. The Uzbek president attended the 2024 summit of the BRICS group of states, despite the country's earlier lack of involvement in this anti-Western bloc. Tashkent and Moscow also reached an agreement to construct a nuclear power plant in Uzbekistan, a project to be carried out by Russia's state-owned Rosatom.

On a more positive note, progress was made in 2023 – 2024 in long-running negotiations with the World Trade Organization (WTO) regarding Uzbekistan's accession to the global trade body. Uzbekistan has also continued to make slow progress on a range of economic and fiscal reforms.

History and Characteristics of Transformation

The ambitious reforms initiated by President Shavkat Mirziyoyev in 2017 appear to have faltered across many areas of public and social life. Progress toward democratization and liberalization remains uneven, marked by tension between forward movement and setbacks.

On the one hand, the period of the so-called Uzbekistan 2.0 reforms has been associated with a gradual awakening of civil society from its long social and political slumber. Multiple indicators suggest that change is taking root. First, social networks have rapidly expanded, providing platforms for free expression. Second, in some regions, local populations have begun to protest against abuses of power by provincial governors or openly voice frustrations over issues such as gas and electricity shortages. Third, there is growing awareness of the importance of civil society organizations in the processes of democratization and liberalization. While government-aligned non-governmental organizations (GONGOs) remain loyal to the authorities, they have started to raise critical issues within the public discourse. Fourth, independent journalism, though still in its early stages, is making steady progress, with independent bloggers increasingly contributing to the media landscape. Initially, bloggers irked some officials both in the provinces and the central government, but over time they have become an integral part of civil society, with the president acknowledging their role in advancing media reforms.

On the other hand, the incompetence and particularistic interests of government officials have been the subject of widespread public criticism. Persistent problems such as high levels of corruption, abuse of power by local leaders and entrenched nepotism continue to plague the political and administrative systems. Overall, three words encapsulate the status quo in domestic policy: conformism, opportunism and obscurantism. Conformism characterizes the populace's passive acceptance of the status quo, opportunism defines the actions of political parties and elites seeking personal gain, and obscurantism reflects the government's tendency to stifle transparency and reform. A striking example of this non-democratic reversal was the reappointment of the prime minister for a third term in direct violation of the constitution and existing legislation.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

In principle, the state’s monopoly on the use of force is established nationwide. A specific feature of stateness regarding this monopoly is that the state has always demonstrated its readiness to quell any riot. Law enforcement agencies always stand ready to prevent potential disturbances and suspicious activity. This use of force has often led to abuses. Thus, Uzbek authorities continued to target ethnic Karakalpak activists in Kazakhstan, accusing them of “attacks against the constitutional order” and rioting in the wake of the July 2022 protests in Nukus, the capital of the autonomous region of Karakalpakstan, which the Uzbek government quelled violently.

In 2024, Uzbekistan’s security forces arrested several young men accused of planning to join the Islamic State (IS) group.

Uzbekistan’s control over its enclaves in the Ferghana Valley is more tenuous because the borders are complex and remain disputed, often leading to tensions with neighboring Kyrgyzstan and Tajikistan, particularly over access to resources and the movement of people. Uzbekistan’s absorption of the Kyrgyz enclave Barak in 2024 helped ease some of those tensions.

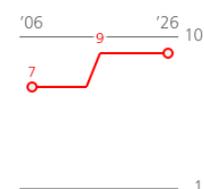
Formal citizenship and state identity are one thing, but how citizens identify with the state in their own lives is another. On the one hand, there is no discrimination in granting citizenship on the basis of nationality, gender, race, religion or language. On the other hand, state identity – conceived as the people’s allegiance to the state – is more complicated.

In 2020, a new system for granting citizenship was established, under which people who have lived in Uzbekistan for 15 years can apply for citizenship. Combined with a strict policy against dual citizenship, this long residency requirement presents challenges for refugees and asylum seekers. In fact, Uzbekistan is home to the largest number of stateless persons in Central Asia. The situation worsened in November

Question
Score

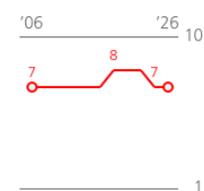
Monopoly on the
use of force

9



State identity

7



2024 with the signing of the so-called undesirable persons law. This vaguely worded legislation allows the banning of foreigners and stateless persons from Uzbekistan in response to “public calls or actions contradicting the state sovereignty, territorial integrity and security” of the country.

Some groups of citizens maintain identities separate from the Uzbek state. For instance, the Russian-speaking population of Uzbekistan may in some cases harbor hidden sympathies for Russia. Numerous Uzbek labor migrants have applied for Russian citizenship. Karakalpaks – a Turkic minority living in the eponymous republic in Uzbekistan’s northwest – are considerably closer to Kazakhs than to Uzbeks. Their self-identification as a distinct minority has increased in recent years due to ongoing repression by the Uzbek state, which has moved to reduce the region’s autonomy.

Although Uzbekistan has now experienced more than 30 years of independence, local ties as well as clan and regional allegiances persist as archaic, conservative subnational and substate identities that are seen as a serious challenge to national cohesion.

Formally, the state is secular. Religious dogma has no noteworthy influence on the legal order or political institutions. All religious institutions and congregations in the country are strictly controlled by the state, which forbids religious dogma from influencing state institutions or society unless sanctioned by the state.

Meanwhile, Islamic teachings and ideology have acquired a stable public profile. Every year during Ramadan, imams appear on TV and respond to questions from Muslims who call the studio. In addition, special state-controlled TV programs on Islam are well established. Notably, in contrast to the past, more women and girls are allowed to wear religious clothing in public places, including universities.

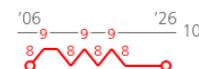
At the same time, throughout the 2023 – 2024 period, newly emerged, active religious bloggers challenged the religious environment by interfering in ongoing debates over the content and prescriptions of Islam. In the course of such debates, tense interactions often occur among participants. This is likely to increase, especially on social networks. It is apparent that the state has become more tolerant of open discourse on religious matters.

Whether surprising or not, in the wake of war in the Gaza Strip and Israeli attacks on Lebanon and Syria in 2023/2024, religiously charged reactions have intensified among the public, independent outlets and pundits, as a growing number accuse Israel of pursuing extreme anti-Islamic policies and committing genocide against Palestinians.

Meanwhile, Uzbekistan is increasingly likely to officially recognize the Taliban regime in Afghanistan. An ambassador from that country has already been appointed and works at the Afghan embassy in Tashkent. In November 2024, Uzbekistan’s ambassador to Afghanistan was appointed and accepted by the Taliban. The impact of this cooperation among Uzbek Muslims remains to be seen.

No interference of religious dogmas

8



1

Other faiths – Russian Orthodoxy, Judaism, Protestantism and Catholicism – exist and develop in a friendly, tolerant atmosphere among the overwhelmingly Muslim population. All other faiths and missionaries are banned and suppressed.

The administrative structures of the state provide most basic public services throughout the country, but their operations often remain dysfunctional. The state administration, comprising institutions organized hierarchically throughout the country, has the capacity to deliver services, but rampant corruption, a shortage of qualified civil servants, excessive concentration of power in the hands of local authorities, a lack of financial resources and restrictions on civil society’s ability to conduct oversight often cause public frustration and administrative deficiencies in many parts of the country.

Unfortunately, cases of abuse of power by local executives – khokims – have become frequent. Khokims of many provinces and districts have been exposed by bloggers and local activists for engaging in corruption, nepotism and abuse of power. The energy minister is frequently criticized due to blackouts, and the culture minister has been criticized for discrediting the meaning of culture, as well as for demagogic and conservative statements. Social media accounts such as @eltuzportali and @Urikguli, as well as bloggers and independent websites, disclose violations and abuses by publishing compromising material about khokims, directors, chairpersons, bankers, managers and other officials.

During the 2023 – 2024 period, urban mismanagement created serious negative consequences, including disordered construction, trees cutting, severe traffic in the capital and frequent country-wide blackouts. Large-scale, country-wide construction projects led to numerous negative side effects impacting the efficiency of sewer systems, electricity networks (the Soviet-era electric grid is in woeful shape) and gas supply. Many families were resettled from their homes to other districts against their will because construction projects had been launched near their residences.

After the amended constitution, which proclaims Uzbekistan as a social state, was adopted in June 2023, a new National Agency on Social Protection was created. Notably, the president’s young daughter was appointed deputy director of the agency.

Consistent with the goal of building an effective public administration – one of the priority areas of the Uzbekistan-2030 strategy – Uzbekistan launched the “Improving Governance” program, funded by the European Union in collaboration with UNDP. It is administered by Uzbekistan’s anti-corruption agency.

Official statistics indicate that 96.6% of the population has access to a basic water source, while 79.8% has access to a safely managed water source. About 96.3% of the population has access to basic sanitation, and 74.5% has access to safely managed sanitation facilities. The share with access to electricity is 100%. Although these numbers are relatively favorable, the real picture is not so bright; the deficiencies in management mentioned above confirm that these statistics are exaggerated.

Basic
administration

6

'06 '26 10



1

2 | Political Participation

In general, all necessary institutions and legislation exist to provide for the election process. This includes an electoral management body, the Central Election Commission; universal suffrage with a secret ballot; and accessible, secure and secret polling to ensure effective participation. However, invisible state control takes place at each stage.

On April 30, 2023, a referendum was held on amendments to the constitution. This was preceded by a massive propaganda campaign urging people not to be indifferent and to participate actively in the referendum. However, the controversial draft text was prepared behind closed doors by the Constitutional Commission without the involvement of experts or civil society representatives. The propaganda – in the spirit of the Soviet tradition – contrasted with the silence among ordinary citizens and their very low levels of awareness of the content of the document on which they were expected to vote. Therefore, the referendum had the appearance of being somewhat stage-managed. Many analysts argue that the essential goal of the constitutional campaign was to change the presidential term from five to seven years, and beyond that, nobody could convincingly explain or justify the constitutional amendment.

In July 2023, in the wake of the referendum, presidential elections were held. These elections were rather farcical because all candidates except the incumbent were completely unknown figures. Thus, the elections were organized for the sole purpose of prolonging the acting president's term in office.

On October 27, 2024, parliamentary elections were held. For the first time, the new Oliy Majlis (the parliament) was elected under a mixed electoral system: half of the candidates for the lower chamber were elected by majoritarian vote and half by proportional representation. This electoral “innovation” complicated the existing electoral system and was premature for Uzbekistan for at least three reasons: 1) there is no opposition party to challenge the existing status quo; all parties are loyal to the government and the president; 2) most of the population cannot understand the real advantage of the proportional system; and 3) those who are elected by majoritarian vote must be members of a party; independent candidates cannot be nominated, according to the election law.

Independent experts and bloggers have discussed the need for a deep reform of electoral legislation that would provide for the nomination of independent candidates and the election of khokims – the governors of provinces, cities and districts – who are currently appointed from above.

Free and fair elections

2

'06 '26 10



The ongoing reforms have impacted all branches of power. Yet despite this reformist dynamic, the political system remains centered on the president. Until recently, other elected representatives have had limited power to govern for two reasons: their own political impotence and the pervasive “invisible hand” of the omnipotent presidential administration – and, of course, of the president himself.

The 2024 parliamentary elections produced a legislature entirely loyal to President Miriyoyev. The only area in which deputies have become more outspoken concerns Uzbekistan’s relations with Russia. A few “independent” parties have focused more substantially on issues such as the environment and the country’s business climate.

In August 2023, a number of key new staffers joined the presidential administration. The president’s daughter, Saida Mirziyoyeva, was appointed her father’s assistant. The number of presidential advisers increased from nine to 11.

In 2018, the president signed a decree establishing the Public Chamber, which was presented as a mechanism enabling direct communication between the president and civil society. However, this has not been implemented in practice. This case illustrates the invisible resistance to such an idea.

The winter of 2023 was extremely cold, with temperatures as low as -20 C for an extended period, and blackouts occurred in many places. The president dismissed the mayor of Tashkent – the rich and influential oligarch Jakhongir Ortikhodjaev – for mismanagement and the falsification of positive reports.

In 2023, the Uzbekistan rating in the World Bank’s World Governance Indicators improved. It is now ranked at 116th place out of 208 countries, although this remains below average performance worldwide. According to SolAbility, which publishes the Global Sustainable Competitiveness Index, Uzbekistan was ranked 74th globally in 2024 with regard to governance efficiency, with a score of 51.04.

The rights of association and assembly are formally guaranteed by the constitution. Formally, five political parties and more than 9,000 non-governmental organizations (NGOs) are legally registered in Uzbekistan. However, there are no registered opposition parties, and most strong and active NGOs are, in fact, government-organized non-governmental organizations (GONGOs) informally affiliated with the existing political regime. Other NGOs are very small or weak, or work in spheres that do not raise government concerns.

Although it was announced that a new Code of NGOs is being drafted, the process remains far from complete. The National Association of NGOs (NANGO) of Uzbekistan has launched a Telegram channel to inform organizations about news, events, grants and projects.

At the highest political level, the government does not openly impose significant restrictions on assembly and association, but at the local level, executives often target certain associations and activist groups with intimidation and harassment. This applies in particular within the autonomous Karakalpakstan Republic, where protests

Effective power to govern

2

'06 _____ '26 10



Association / assembly rights

3

'06 _____ '26 10



in 2022 against the removal of the region’s autonomous status turned violent. Local administrations and university leaders have reportedly threatened students who have voiced support for anti-government protests. Students’ social media activity is also closely monitored.

Media freedom in Uzbekistan is complex. On the one hand, Uzbekistan’s constitution guarantees the freedom of expression. Uzbek legislation also enshrines the freedom of information. The number and critical discussions on TV, digital media and social media platforms has been increasing, and they have been addressing a broader thematic spectrum. Although remnants of informal censorship persist, journalists and bloggers raise important, critical and even sensitive issues for broader public attention. Examples of new independent media gaining increasing popularity include www.kun.uz, Fikrat, www.rost24.uz, human.uz, qalampir.uz and the UzReport TV channel.

On the other hand, bloggers who are critical of the government or the president have faced arrest. In 2024, Reporters Without Borders dropped Uzbekistan by 11 places in the World Press Freedom Index, changing the country’s designation for media freedom from “difficult” to “very serious.” This reflects the serious restrictions on any discussion of the 2022 protests against changes to the Uzbek constitution that would have removed Karakalpakstan’s autonomous status, or of the government’s violent repression of those protests. Journalists who try to write about those events are arrested and jailed.

Thus, state censorship persists. Bloggers can also face pressure from local authorities. For example, in late 2024, an extraordinary sociopolitical and legal scandal unfolded in Tashkent. An ordinary citizen publicly complained about a shortage of gasoline for private cars at gas stations, accusing officials and state agencies of responsibility. For this public, loud and emotional action, he was detained, harassed and sentenced. However, human rights organizations, independent bloggers, lawyers and public activists tried to defend him and organized collective support, which led to his release, though he was not cleared of wrongdoing.

3 | Rule of Law

Uzbekistan’s constitution provides for separation of powers among the legislative, executive and judicial branches, and between a strong presidency and a bicameral parliament, the Oliy Majlis (Supreme Assembly), which has the power to approve the budget. In reality, however, the political system resembles a pyramid, with the president and his administration at the top. The presidential administration holds an informal status as the “fourth power,” outweighing the three basic powers – the legislative, executive and judicial. De jure, it has no special power status, but de facto, it wields great and largely unchallenged authority.

Freedom of expression

3

'06 '26 10



Separation of powers

3

'06 '26 10



Following the 2023 presidential and 2024 parliamentary elections, the Oliy Majlis was expected to take on more authority and an expanded role. However, despite the comparatively rare ministerial hearings organized by parliamentary committees, the executive branch retains ultimate decision-making authority in the political system. The court system often remains under the direct influence of the executive branch, and there have been a number of cases in which court decisions have been unfair – that is, biased in favor of executive power. The lack of justice regarding the 2022 Karakalpakstan violence, in which excessive state force was used against protesters, is a glaring example of how pliable the judiciary is with respect to the president.

Meanwhile, numerous scandals involving khokims' abuses of power, corruption and nepotism, as well as their lack of required management skills and professional qualifications, became a serious indicator of an imminent political crisis. Against this backdrop, a decision was adopted that khokims would no longer serve as chairpersons of the local provincial councils (elected bodies). Although this is a sound decision, the separation of powers will remain an illusion even if elections for local governors are introduced.

The judiciary in Uzbekistan is constitutionally differentiated and notionally independent of the executive. In practice, however, it remains vulnerable to executive pressure that undermines its independence. Corruption, insufficient resources and an institutional legacy also undermine the functioning of the judicial system in Uzbekistan.

Recognizing the importance of judicial independence and professionalism for attracting investment and improving Uzbekistan's image, Mirziyoyev's government has steadily implemented numerous reforms to strengthen the judiciary as a pillar of governance. Accordingly, a new judicial administrative body – the Supreme Judicial Council – was granted authority to appoint and dismiss judges at the regional, district and city court level. Previously, the legislative and executive branches played a larger role in judicial appointments. A series of presidential decrees instituted measures creating a framework for training judges and guaranteeing their immunity in cases of criminal prosecution.

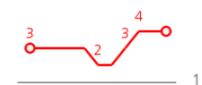
The 2024 “On amendments and additions to some legislative acts of Uzbekistan” law further strengthened guarantees associated with the judicial system and resolved that judges should regularly inform the public about the courts' activities.

On January 16, 2023, the president signed a decree titled “On measures on extension of access to justice and enhancing the efficiency of courts' activity.” This document established a strategy for raising the judicial system to a qualitatively new level over the 2023 – 2026 period. The strategy envisions the full digitalization of court operations, improved interagency exchanges of electronic data and expanded opportunities for remote attendance at court hearings.

Independent
judiciary

4

'06 '26 10



1

Uzbekistan's position on the Global Rule of Law Index declined in 2024 for the first time since 2016. Of 142 countries assessed in the report, Uzbekistan was ranked 83rd, a drop of five places compared with 2023.

The anti-corruption policy led by the Uzbek government and law enforcement agencies appears to be gaining new momentum. The number of cases in which officeholders have been arrested and prosecuted for alleged corruption has risen. Bloggers and independent journalists have publicized many cases of abuse of office. According to the General Prosecutor's Office, a total of 2,389 officials were brought up on criminal charges in the first half of 2024 – 34.4% more than in the same period in 2023. The main type of crime remains theft of property. The amount of property damage associated with these thefts increased by 67% to almost UZS 1.5 trillion.

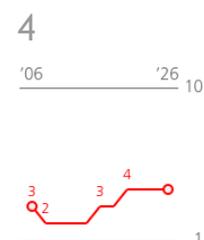
Altogether, 3,575 officials were held responsible for criminal actions in 2023, 14.7% more than the year before. In 2024 a total of 4,906 public officials were convicted of abusing their public posts, according to the Prosecutor General's Office of Uzbekistan. Yet systemic and low-level corruption persists, and individuals close to the president are shielded from prosecution.

De jure, all civil rights are protected and guaranteed by the constitution and legislation. There are official institutions with mandates to protect human rights, including the Office of Ombudsmen on Human Rights; the Committee on Democratic Institutions, NGOs and Citizens' Self-Governing Bodies at the Parliament's Legislative Chamber; and the National Center on Human Rights. Even at the rhetorical level, officials, government figures and the president frequently emphasize the importance of human dignity.

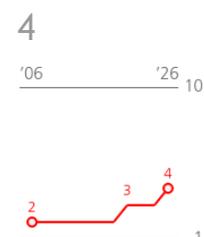
In reality, however, human rights organizations report pervasive and flagrant violations of women's rights, including domestic violence. The term "domestic violence" was not even officially used in national legislation until recently. In 2023, after lengthy debates and amendments, the law "On Protection of Women and Children From Violence" took effect. This marked an important step forward in the sociopolitical life of Uzbekistan. Other instances of discrimination based on categories such as sexual orientation, race, ethnicity, religion or political preference were not reported.

Equality before the law is not always guaranteed, because ordinary people who violate the law may receive harsher sentences than those holding positions within state government structures.

Prosecution of office abuse



Civil rights



4 | Stability of Democratic Institutions

Uzbekistan has all the formal democratic institutions – a constitution, a parliament, an electoral commission, central and local executive branches, the press, political parties, local government bodies, the judiciary and the public administration – that, according to the constitution, are supposed to provide for democratic choice. However, they operate only within the framework established by the rigorous political regime and fulfill the agenda imposed on them by the state’s top leadership, primarily the president’s administration. This means these institutions are democratic in name, not in substance, and they perform their basic tasks only as long as they display loyalty and obedience to the leadership.

Political reforms remain slow in coming. The referendum on constitutional amendments in April 2023, the presidential elections in July 2024 and the parliamentary elections in October 2024 demonstrated that democratic institutions function in a very formalistic manner.

The president is the subject of a personality cult. The Oliy Majlis (parliament) displays full loyalty to the regime and, more often than not, passes laws unanimously, while parliamentary committees are reluctant to engage with independent outside experts. Khokims – local executives – frequently abuse their power and engage in corrupt activities. Political parties are opportunistic, and there is no opposition party worthy of the name. Civil society is weak, with GONGOs largely substituting for independent NGOs.

The judiciary remains far from an independent branch of government. There were a number of cases during the review period in which court decisions were dictated by the executive. In many cases, citizens’ appeals to the courts were handled unprofessionally and in a biased manner.

On the one hand, all democratic institutions in Uzbekistan are accepted as legitimate by all relevant actors. However, the overpowered authoritarian regime holds informal veto rights and is able to incapacitate those institutions if they dare to overstep the political boundaries outlined for them. The official propaganda machine has managed to persuade a broad audience, especially the youth, that this is how Uzbekistan is proceeding toward democracy, and this is the right way.

A “Soviet syndrome” still persists; that is, the overall political process is significantly ideologized, and President Mirziyoyev is the subject of a well-maintained personality cult. In this sense, authentic democratic institutions are being undermined, including through the discursive reframing of democracy, and the distance between the people and the government is increasing. This is particularly evident in the functioning of parliament and the judiciary. Oliy Majlis deputies, as well as the courts, operate as an integral part of the authoritarian regime.

Performance of democratic institutions

2

'06 '26 10



Commitment to democratic institutions

2

'06 '26 10



In April 2020, the Public Chamber was established by presidential decree. The ostensible goal of this body was to strengthen public control and interactions between the state and society. It was intended to foster a modern dialogue among the state, citizens and civil society institutions, and to support active citizen participation in public affairs. The decree further tasked the Public Chamber with the annual presentation of a national report on the state and development of civil society to the president and the parliament. However, this new institution remains a theoretical proposition, and there is no indication that it will become operational soon.

In general, the commitment to democracy among interest groups, political parties, state institutions and civic institutions is largely formal. Public opinion tends to be conformist rather than genuinely democracy-driven. The military and the clergy are fully loyal to the regime. Interestingly, the high degree of loyalty to the regime shown by politically active groups, the population's conformism, and the opportunism displayed by state institutions are considered just another form of commitment to the "national" path toward democracy.

5 | Political and Social Integration

Rather than being socially rooted, the party system is politically beholden to the state.

Parties have a variety of goals and ideologies. The Liberal Democratic Party of Uzbekistan seeks to articulate the interests and needs of business, entrepreneurship and private ownership; the National Revival Democratic Party of Uzbekistan focuses on national revitalization and the strengthening of national culture, traditions and values; the People's Democratic Party of Uzbekistan is centered around issues of social protection, equality, socially oriented market reforms and support for workers; the Justice (Adolat) Social Democratic Party of Uzbekistan focuses on social justice and support for vulnerable groups of citizens; and the Ecological Party is centered on environmental issues.

In this way, these loyal parties are given a special niche in the political system, as if they were specialized state agencies rather than political parties. In this capacity, parties recruit cadres proportionally for the government, parliament and other state structures. Although party leaders and activists consistently claim to have a stable electorate, citizens are largely unaware of their activities, leaders or ideologies. In this context, there is no polarization or real political competition among them.

In the 2023 presidential and 2024 parliamentary elections, parties nominated candidates who were unknown to the public and could not present a distinct political platform. In effect, this created a kind of smoke screen for the authoritarian regime. This contrasts with the electoral "innovation," in which half the seats in parliament are now given to candidates elected under the proportional electoral principle. This innovation in fact merely preserves the status quo, as long as there is no real opposition party.

Party system

2

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Interest groups in Uzbek society are represented by various NGOs and GONGOs that actively represent their interests. For instance, NGOs and GONGOs such as “Mahalla” (local self-ruling neighborhood) Foundation, the Youth Movement, the Association of Disabled, the Federation of Trade Unions, the Association of Medical Doctors, Center “Oila” (“Family”), and the Consumers’ Association are expected to mediate between specific social groups and the political system. They do so under the constraints created by limited resources and various other restrictions. In 2022, the government instituted a new set of regulations that strengthened state control over civil society by imposing new rules for the operations of local NGOs receiving international grants from donors such as the European Union, USAID and U.N. agencies.

The Association of Non-governmental and Noncommercial Organizations of Uzbekistan works to mobilize NGOs and provide access to state bodies. There are more than 9,000 NGOs in the country. The Fund for Support of Non-governmental and Noncommercial Organizations of Uzbekistan regularly provides small grants to NGOs.

At the same time, in 2023/2024, business interest groups representing trade and construction companies, as well as groups with ties to the president’s relatives, have received increased support from the government. Emboldened, these interest groups have engaged in “aggressive” activities. For instance, the construction of houses and business centers in Tashkent has involved messy, disordered processes, leading to public complaints. A recently announced general plan for reconstructing the city, largely serving the interests of those construction and business companies, was drafted without adequate public discussion.

Uzbekistan’s laws and political discourse acknowledge democratic institutions. However, the government has traditionally restricted independent public opinion polls and has not relied on public opinion research in policymaking. Some ad hoc surveys on a narrow range of non-political questions are conducted, but the findings are questionable because of a lack of transparency with regard to sampling, data collection and analysis methodologies. Very often, people understand neither the goals of the polls nor the meaning of the questions, and they are not ready to express their opinions frankly. Local authorities also often try to hinder the conduct of interviews.

Nevertheless, no alternative to democracy is accepted or discussed in society. Expressions such as “democracy,” “democratic reforms,” “democratic society,” “democratic state” and so on are constantly repeated like a mantra in official speeches, newspaper articles and TV news reports. The constitution declares that Uzbekistan is a democratic state. Although knowledge regarding the true character of democracy remains quite superficial among ordinary people, the overall democracy-related procedures and propaganda – albeit formal and state-regulated – create some expectations of imminent democratic development.

Interest groups

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Approval of democracy

n/a

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n/a

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At the same time, in 2023 – 2024, more people on social media began expressing their dissatisfaction with the Oliy Majlis (the elected parliament) and local Kengashes, the elected councils of provinces and cities. The persistence of nepotism and clan-family ties in Uzbekistan’s political and governance system serves to discredit allegedly democratic institutions and practices.

Given the high levels of state control of public life, the social capital generated by many actual and potential self-help associations remains largely unrealized. Mutual trust and solidarity among the population are confined to very few social spaces, such as mahallas (neighborhood communities) and kinship networks. Family and community ceremonies, clans, and clan-like patron-client networks unite people as a means of advancing their private or group interests vis-a-vis the state.

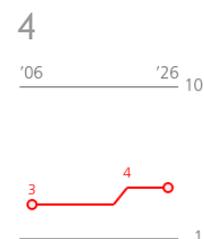
The capacity to self-organize is distributed unevenly across society and depends on an individual’s ethnic background, lifestyle (rural or urban), and education and professional qualifications. Ethnic minorities, for instance, have the right and opportunity to organize national cultural centers. Currently, some religiously motivated activists are active, with associated groups growing in size; these, too, focus on supporting people in need and the poor.

Meanwhile, the institutionalization of self-help and self-organization in the Uzbek context is based mostly on informal and narrow relations such as the “Gap” – a group of friends (men or women separately) that operates as a network for socializing among former classmates, colleagues, neighbors or relatives.

Broader social activism in voluntary cultural, environmental or social associations that transcend traditional and narrow interests has recently become more common. However, most such groups are locally focused.

Environmentalists were very active on social media during the 2023 – 2024 period.

Social capital



II. Economic Transformation

6 | Level of Socioeconomic Development

According to data from the Ministry of Employment and Poverty Reduction, the unemployment rate among the able-bodied population in Uzbekistan decreased from 10.5% in 2020 to 6.8% in early 2024, while the poverty rate fell from 17% in 2021 to 14% in 2023 and further to 11% by early 2024. A large number of Uzbeks – about 2 million people – still work in Russia, despite increased hostility toward labor migrants there.

In the UNDP Human Development Report for 2024, Uzbekistan was ranked 106th among 193 countries.

In the 2023 U.N. Sustainable Development Goals ranking, Uzbekistan rose to 69th place out of 166 countries, an improvement of eight places from the previous year. The country's U.N. Education Index score is 0.729; its Gender Inequality Index score is 0.274; and its Gini coefficient score is 31.2 (2023). The literacy rate is 100%; the female-to-male enrollment ratio is 0.9; and women make up 39.4% of the labor force.

Household income growth has been the main driver of stronger economic indicators, with the expansion of various welfare programs also contributing. Rising pension levels also have helped reduce the prevalence of poverty.

Uzbekistan's economic performance would have been stronger if not for a concurrent rise in economic inequality. In 2024, economic disparity increased. Specifically, the average wage gap between the richest and poorest regions of Uzbekistan widened, and women continue to fare worse economically than men.

Uzbekistan has made some progress in gender equality, rising from 103rd place in 2022 to 52nd in the 2024 Gender Equality and Governance Index (GEGI). Uzbekistan's gender equality rating (1=low to 6=high) on the World Bank's Country Policy and Institutional Assessment (CPIA) tool was 4.5 in 2023. Still, an economic gender gap persists.

Question
Score

Socioeconomic
barriers

4

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Economic indicators		2021	2022	2023	2024
GDP	\$ M	77340.1	90095.9	102641.9	114965.3
GDP growth	%	8.0	6.0	6.3	6.5
Inflation (CPI)	%	10.8	11.4	10.0	9.6
Unemployment	%	5.4	4.5	4.5	4.5
Foreign direct investment	% of GDP	2.9	2.9	2.1	2.5
Export growth	%	13.4	19.0	17.3	-5.9
Import growth	%	23.4	13.6	15.3	-1.5
Current account balance	\$ M	-4897.5	-2846.2	-7797.7	-5716.6
Public debt	% of GDP	31.7	30.5	32.2	32.7
External debt	\$ M	40606.4	48993.0	59184.4	-
Total debt service	\$ M	4561.3	7164.1	8536.3	-
Net lending/borrowing	% of GDP	-4.2	-3.6	-4.3	-
Tax revenue	% of GDP	13.4	12.0	11.5	-
Government consumption	% of GDP	14.9	15.0	14.5	13.9
Public education spending	% of GDP	4.1	5.2	5.5	-
Public health spending	% of GDP	3.0	2.5	-	-
R&D expenditure	% of GDP	0.1	0.2	0.1	-
Military expenditure	% of GDP	-	-	-	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

President Mirziyoyev’s government sees the market economy and foreign direct investment as being crucial to the achievement of Uzbekistan’s ambitious development goals. To that end, Uzbekistan has implemented measures to make the country more attractive to foreign investors. These measures include reducing taxes, streamlining procedures, strengthening legal protections for foreign investors and establishing free economic zones.

However, according to the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP), investment in 2024 fell 49% from last year to \$4 billion. Meanwhile, more than 50 countries invest in Uzbekistan’s economy. The leading investors are China (22.4% of the total), Russia (16.4%), Türkiye (7%), Saudi Arabia (5.4%), the UAE (4.7%), Germany (4.6%) and the United Kingdom (3.9%).

Foreign and domestic investors are relatively free to make and withdraw investments. Prices are mainly determined by market forces. Cross-border mobility of labor and capital, including currency convertibility, is allowed. Uzbekistan has signed bilateral agreements with 54 countries on the issue of double taxation.

State-owned entities continue to play a significant role in the energy (oil and gas), chemical, transport, banking and construction sectors. This is a serious barrier to the development of market mechanisms. The president announced that, starting in 2021, the supply of electricity and gas would be marketized. However, the state was not ready for such a move because of possible social consequences, especially during the parliamentary (2024) and presidential (2023) election periods.

At the same time, the market does contain monopolists and oligarchic groups. The prevailing economic policy of import substitution also limits market competition. There are reports from various provinces that business contracts have been signed without a fair tender mechanism, or that tenders are organized artificially in favor of certain privileged companies.

According to a Harvard University analysis, Uzbekistan has sufficient capacity and an advantageous position for the production of more than 50 types of industrial products. In particular, industries such as oil and gas, chemistry, metallurgy, mechanical engineering, electro-technics, pharmaceuticals, construction materials, textiles and food, as well as a “green economy,” could drive economic growth.

Market
organization

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The Anti-monopoly Committee is the competition authority that oversees the implementation of antitrust laws. The country is not a member of the International Competition Network. In principle, antitrust and anti-monopoly policies appear prudent, yet the state maintains control over the distribution of key resources, undermining competition and other market mechanisms. The informal sector is significant, but its scope is declining.

Strategically, the government aims to create a competitive environment, gradually reducing monopolies in the market for goods and services and developing new production lines and technologies.

Although the state retains a monopoly in certain strategic areas, advances have been made to harmonize Uzbek legislation and practice with the requirements of the World Trade Organization, which Uzbekistan intends to join. A decree signed by President Mirziyoyev in the summer of 2024 revoked the exclusive economic rights of several state companies in the metallurgy, chemical, energy and transport sectors.

In July 2023, the president signed a decree “On the efficient organization of the state management in the sphere of development of competition and protection of consumers’ rights.” In 2024, the Committee on Development of Competition found four cases in which state companies had been created without consultation with the anti-monopoly agency. Apparently, these companies were sanctioned. Such reports are published from time to time – however, typically without clear-cut information about measures taken in response to their findings.

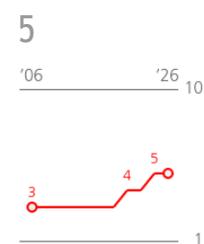
Uzbekistan’s foreign trade turnover totaled \$65.93 billion in 2024, a 3.8% increase from the previous year, according to a report by the Statistics Agency. The increase was driven by significant export growth – exports rose by 8.4% to \$26.94 billion – and a slight rise in imports, which increased by 0.8% to \$38.98 billion. The trade deficit narrowed to \$12.03 billion from \$13.78 billion in 2023.

It was officially announced that the state would cover 50% of exporters’ costs for opening trade houses and shops abroad, as well as for advertising. In 2024, the Chamber of Commerce and Industry reported that the Trade Promotion Company would cover transportation costs for exporting fruit and vegetable products. Funds were to be provided to exporting companies after sending their products abroad by air. The amount provided depends on the destination and the volume of goods.

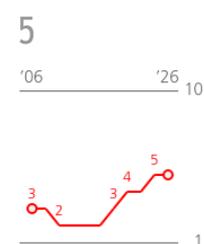
The export licensing system was simplified. A national website for the conduct of export-import operations has been launched based on the “single-window” principle, providing a simple mechanism for electronic documentation and payments, including the provision of phytosanitary certificates and certificates of origin for products.

Preparations for joining the WTO are underway. The new Development Strategy 2022 – 2026 set the task of finalizing preparations in 2022. In 2023, Uzbekistan signed trade agreements with 47 countries that provide most-favored-nation treatment.

Competition policy



Liberalization of foreign trade



At the same time, economists point to the persistence of tariff barriers in the foreign trade sector. For example, foodstuffs imported from Russia and other CIS countries are exempt from import duties, unlike imports from other countries. In the context of the war in Ukraine and sanctions on Russia, it has become more difficult and riskier to use Russia's logistics and transport system to import goods, which calls for diversification.

In 2024, Uzbekistan's banking sector has shown stability and resilience, with improvements in individual bank performance. However, challenges remain, including growth in the microdebt sector and the ratio of non-performing loans. Uzbekistan's banking sector comprises 31 commercial banks: 17 large and 14 small.

As of October 1, 2024, domestic systemically important banks (D-SIBs) accounted for 67% of Uzbekistan's banking system assets. The volume of microdebts increased by 77% in the period July 1, 2023 – July 1, 2024. In October 2024, non-performing loans made up 4.1% of the total loan portfolio in state-owned banks and 4.4% in private banks.

The central bank reported that in the first half of 2024, Uzbekistan's banking system maintained financial stability. The capital adequacy ratio stood at 17.3%, and the Tier 1 capital ratio reached 14.2%, both exceeding the minimum regulatory requirements.

The share of Uzbekistan's non-bank financial sector in the country's financial system remains small, at 3%, accounting for 1.7% of GDP. Currently, the diversification of services in the nonbanking sector and the introduction of Islamic finance in microfinance organizations are being widely discussed. In 2024, the president adopted a decree, "On Measures on Further Development of the Capital Market," which, in particular, envisions increasing the size of the capital market to UZS 43 trillion as a means of strengthening financing sources other than traditional bank credit.

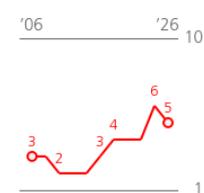
Major external risks that could significantly affect Uzbekistan's financial system include risks stemming from secondary sanctions affecting participants in Uzbekistan's financial and nonfinancial sectors, as well as risks associated with climate change. Persistent overvaluation of housing prices, the rapid expansion of outstanding microdebt volumes and increasing cyber risks are considered to be the most critical internal risks.

The Central Bank of Uzbekistan has joined the Basel Committee on Banking Supervision (BCBS) advisory group, according to its press office.

Uzbekistan's Banking Sector Reform Strategy for 2020 – 2025 was prepared with assistance from the World Bank. It aims to reduce the state's direct participation in the commercial banking sector and build a more effective, inclusive and competitive banking system led by private sector banks.

Banking system

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8 | Monetary and fiscal stability

The Central Bank of Uzbekistan (CBU) is the country's central bank and monetary authority. It sets inflation targets. Uzbekistan uses a free-floating exchange rate regime monitored by the central bank.

The CBU is relatively independent in conducting monetary policy to the extent possible in countries without political balances. Nevertheless, the CBU has managed to achieve monetary stability – defined as targeting inflation and exchange rate stability – which is the core element of monetary policy in the country. In 2024, the inflation rate was 10% year over year.

By the end of 2024, the exchange rate was about \$1 to UZS 12,900 (UZS = Uzbek som). The Uzbek som is pegged to a foreign anchor currency at a more or less realistic rate. The exchange rate is determined by supply and demand in interbank foreign exchange trading sessions conducted at the Currency Exchange of Uzbekistan.

In July 2024, the central bank conducted a survey of 35 commercial banks to identify systemic risks in Uzbekistan's financial system. According to the survey, respondents identified geopolitical risks, exchange rate instability, an increase in the population's debt burden, rising inflation and cyberattacks as potential dangers. Among these categories, geopolitical risk was cited as the most serious concern.

Legal entities registered in Uzbekistan may purchase foreign currency from commercial banks without limits for current international payments (such as the import of goods and services, the repatriation of profits, the repayment of loans, business trip expenses, and other non-trade payments). The mandatory sale of foreign-currency proceeds has been abolished. Individuals – residents of Uzbekistan – may freely buy and sell foreign currency and use funds abroad without limits.

In general, the government's fiscal and debt policies promote macroeconomic stability but lack institutional safeguards.

The GDP growth rate was 5.6% in 2024.

As of October 1, 2024, Uzbekistan's total external debt was \$60.2 billion. This included \$32.5 billion in state external debt and \$27.7 billion in corporate external debt. Against the backdrop of growing external debt, concerns have been raised about whether this debt is sustainable. Official reports, however, maintain that the debt is manageable.

The current account balance showed a deficit of 7.8% of GDP in 2023 (World Bank). Total public debt reached 32.5% of GDP in 2023 (World Bank). According to a report from the Ministry of Economy and Finance, the country's public debt amounted to \$35.3 billion. Of this, \$29.4 billion (83%) was external debt and \$5.9 billion (17%)

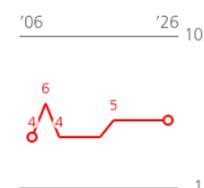
Monetary stability

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Fiscal stability

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was domestic debt. In the first quarter, public debt amounted to 31.7% of GDP. The government indicated plans to reduce the budget deficit to 4% of GDP in 2024 and further to 3% of GDP in 2025. Government consumption in 2023 amounted to 16.1% of GDP.

Although the country's overall fiscal performance has been relatively strong and successful, the IMF has called for additional measures to make fiscal policy more coherent and transparent, such as adopting the 2025 – 2030 Public Financial Management Reform Strategy, unifying the public investment process, and addressing fiscal risks from a rapidly expanding pipeline of public-private partnerships.

On November 29, 2024, Standard & Poor's (S&P) Global Ratings affirmed Uzbekistan's long- and short-term sovereign credit ratings at BB-/B with a stable outlook. On December 20, 2024, Moody's Investors Service assigned Uzbekistan a Ba3 credit rating, also with a stable outlook.

9 | Private Property

Property rights and regulations governing the acquisition, benefits, use and sale of property are enshrined in law, including in the constitution, but implementation and enforcement are inconsistent. Property rights are not always adequately safeguarded against arbitrary intervention by state authorities or major developers.

For instance, in 2023 – 2024, as in the previous period, there were repeated scandals over the construction of new, modern buildings in districts in which residents' houses were demolished. There have been numerous reports chronicling the improper and systematic redistribution of land to benefit property developers at the expense of ordinary people. In the wake of multiple complaints, the president issued a decision prohibiting the arbitrary destruction of old houses without owners' consent, and ordering fair compensation in line with market prices. In 2024, President Shavkat Mirziyoyev also signed amendments to legal documents ensuring the protection of private property rights. The demolition of houses without a court order and the payment of prior compensation is now prohibited. The changes introduced amendments to the Housing Code, the Urban Development Code and the law "On the Procedures for Expropriation of Land Plots for Public Needs with Compensation."

However, improper and systematic land redistribution in Uzbekistan has been documented, in a way that regularly benefiting property developers at the expense of individual citizens. A report published by the Center for Public Administration at the University of Ulster examined property seizures in Uzbekistan over the eight-year period of 2017 – 2024. "These landed expropriations to facilitate private, commercially oriented developments frequently involve serious abuses of public power, which are potentially in violation of Uzbekistan's criminal code and constitution," the report states.

Property rights

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In November 2023, a law titled “On the Privatization of State Property” was adopted. It ensures that applicants for the privatization of state property have rights equal to other applicants when participating in the privatization process. Since May 1, 2022, foreign citizens have had the right to invest in Uzbekistan by purchasing new real estate (except for land) without a residence permit.

According to the Statistics Agency, the country had 102,900 private enterprises as of December 2023, a 2.5% increase from the previous year. Small and medium-sized enterprises (SMEs) make up a significant share of this total, with this category accounting for more than 50% of Uzbekistan’s GDP and employing nearly 80% of the country’s workforce, according to European Bank for Reconstruction and Development (EBRD) data.

According to the new Development Strategy 2022 – 2026, the private sector is set to receive greater attention in the form of public-private partnerships. For instance, 20% of digitalized state services will be transferred to private companies. The document also emphasizes that the protection of private property will be a priority and the main guiding principle of the strategy.

It was reported that after the 2019 large-scale tax reform removed restrictions on enterprise size, private companies were able to merge their subsidiaries into holding groups. This has enabled them to adopt international standards of corporate governance and accounting practices, and make wider use of various forms of finance domestically and internationally.

In 2024, a new initiative was launched aiming to attract 2 million people into entrepreneurial activities. The Business Development Bank will be responsible for the creation and expansion of small enterprises. To that end, \$1.2 billion from international financial institutions will be raised, and \$300 million in eurobonds will be issued.

In 2023 – 2024, the president held regular meetings with leading business representatives to consult on the development of the business climate and private enterprise. In the wake of such meetings, a corresponding Road Map was drafted to address those concerns. For instance, in September 2023, the president signed a resolution entitled “On measures of financial and institutional support for the development of small business,” which ensures continuous support for small business.

However, while private companies can in principle act freely, they sometimes encounter economic, political and social barriers. This is especially true in the agricultural sector. There have been instances of expropriation of private property by government entities. Furthermore, the government has been focusing more on attracting investment in large businesses, whereas SMEs have had fewer options and greater difficulty obtaining loans and funding.

Private enterprise

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10 | Welfare Regime

Uzbekistan inherited many social protection programs from the Soviet Union. However, the efficacy of their implementation varies considerably today. Despite progress in poverty reduction, large portions of the population, particularly women, children and the elderly, are still at risk of poverty.

Government salaries and pensions are relatively low. For example, the pension system uses a highly unfair method of calculating pension amounts, which has caused resentment among many pensioners. The average pension is approximately UZS 1 million – 2 million, or about \$100 a month.

According to the employment law, adopted in 2020, job-seekers and unemployed people receive services and consultations, including job offers, tax-free unemployment insurance, and stipends and grants during periods of professional training.

The health care system provides free state medical services. Private services are also available, and are increasing in scope.

In 2024, 50% of the state budget was spent on social programs. According to official reports, the number of families in need receiving subsidies quadrupled over the last three years, reaching 1.9 million. Coverage of childcare allowances also increased significantly. The minimum unemployment allowance rose by 320%. The president also announced additional state grants for female students from the neediest families.

Comprehensive state programs are in place to support families in need, people with disabilities and people who are ill. In addition to state support, activists, volunteers and religious people are increasingly active in supporting these groups. For instance, Muslim activists have organized campaigns and activities aimed at providing material and financial support for poor families. In principle, the welfare regime includes both public and private mechanisms.

Over the past two years, the government has employed a mechanism with subprograms called the “Iron Notebook,” “Women Notebook” and “Youth Notebook.” These are based on a special database identifying the people most in need of state subsidies. Launched in 2020, this joint program, funded by international donors, established a single social protection registry for applying for, assigning and paying social benefits to low-income families.

Social safety nets

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Equality of opportunity is guaranteed by the constitution, which enshrines equal access to education, public office and employment, regardless of sex, ethnic affiliation or religious affiliation. Domestic laws also contain provisions against discrimination.

In the World Bank’s flagship report, *Women, Business and the Law*, Uzbekistan was recognized as one of five countries that had improved the most with regard to legal gender equality. This improvement is due to several reforms. First, Uzbekistan adopted new laws mandating equal pay for equal work and removing restrictions on women’s employment in industrial jobs. It approved legislation protecting women from domestic violence, and also ratified the ILO Convention on Equal Opportunities for Working Family Members.

Although Uzbekistan’s laws guarantee equal rights and opportunities for men and women, women are under-represented or hold secondary roles in many high-paying fields. Recently, the issue of domestic violence and discrimination against women has worsened and become an urgent subject of public discourse.

Despite marked improvements in legislation and human capital, gender disparities persist in the labor market, especially for young women. The Gender Parity Index (GPI) in Uzbekistan was 1.0% in 2024 (World Bank). The gross enrollment ratio was 93.5% in 2024. Women made up only 39.4% of the labor force in 2024.

The literacy rate in Uzbekistan is almost 100% because school attendance at both the primary and secondary level is mandatory, and because the school system – although it is often corrupt and inefficient – covers the entire population. Rural youth have fewer opportunities than those living in big cities. Girls and young women have de jure and de facto equal rights to education and often exercise these rights.

Although the unemployment rate in Uzbekistan is very high, it affects all groups of citizens, regardless of ethnicity or social background. There is no explicit employment discrimination against any groups of citizens. Uzbekistan’s parliament has a quota requiring that at least 30% of seats be held by women. In practice, the number of women depends on election results. The Committee of Women of Uzbekistan – a fairly active GONGO – represents women’s rights in all social spheres.

Meanwhile, there is a clear inequality in the availability of jobs in rural areas compared with cities, and differences in conditions between the capital and the provinces. For this reason, there continues to be a large influx of citizens from the provinces to the capital in search of jobs and better living conditions. As a result, about 16% of the country’s total population now lives in Tashkent, making the city seriously overcrowded.

Equal opportunity

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11 | Economic Performance

According to the IMF, Uzbekistan’s economic growth was strong in 2024. An expansionary fiscal policy, a surge in fixed investment, and dynamic private consumption led to real GDP growth of close to 6% in 2023. In the first quarter of 2024, this growth remained strong, amounting to 6.2% in annual terms (y/y). Sustained growth in real incomes, combined with measures taken since 2020 to expand social protection, contributed to a steady decline in the poverty rate from 17% in 2021 to 11% in 2023.

Headline inflation declined from a rate of 12.3% year over year at the end of 2022 to 8% in March 2024, due in part to a relatively high real policy rate and lower global food and energy prices. The current account deficit widened from 3.5% of GDP in 2022 to 8.6% of GDP in 2023 due to rapid growth in imports of machinery and equipment (part of which represents a temporary phenomenon), a decrease in remittances compared with 2022, an increase in net interest payments on external debt and the repatriation of earnings by foreign-owned enterprises. International reserves decreased by \$1.2 billion in 2023 and covered about nine months of imports as of March 2024.

The Ministry of Economy and Finance reported that in the first quarter of 2024, the country’s public debt amounted to \$35.3 billion. Of this, \$29.4 billion (83%) was external debt and \$5.9 billion (17%) was domestic debt. In the first quarter, the ratio of public debt-to-GDP stood at 31.7%. Uzbekistan’s foreign direct investment (FDI) grew by an amount equal to 2.4% of the country’s nominal GDP in 2023.

According to the Ministry of Labor, as of July 1, 2024, Uzbekistan’s population was 37.2 million, with 15.8 million people, or 41% of the total, considered to be economically active. Among the economically active, 6.8 million worked in the public sector, while 5.5 million worked in the informal economy. In addition, about 1.9 million Uzbekistanis were employed abroad.

Uzbekistan’s major export resources are gas, gold, cotton and uranium. Uzbekistan is the world’s ninth-largest gold producer, with annual production volumes of 100 tons. Uzbekistan is the world’s seventh-largest producer of uranium, all of which is exported.

The IMF also confirmed that “the authorities have set sound priorities for their structural reform agenda, which aims to gradually reduce the state’s share of the economy and create jobs for a growing population. In recent years, significant progress has been made in liberalizing the economy, in particular through the recent decision to reform energy tariffs, which will encourage more efficient use of energy, attract additional investment, improve the reliability of energy supply and strengthen public finances.”

Output strength

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12 | Sustainability

Uzbekistan has a comprehensive set of legislative acts on environmental policy, including the laws “On Nature Protection” (1992), “On Wastes” (2002) and “On Protection of Atmosphere Air” (1996). In September 2024, the president adopted the decree “On Measures on Transparency and Improvement of Management in the Sphere of Ecology and Environment Protection.” In August 2024, the Ministry of Natural Resources was renamed the Ministry of Ecology, Environment Protection and Climate Change.

However, the 2024 Yale Environmental Performance Index (EPI) ranks Uzbekistan relatively low in global comparison at 107th out of 180 countries, with a score of 42.6. Uzbekistan suffers from one of the most severe environmental disasters in the world – the drying of the Aral Sea. In the 2023 – 2024 period, Tashkent, the capital of Uzbekistan, ranked among the most polluted cities in the world. Air quality in Tashkent has deteriorated significantly over the past two years, with the concentration of toxic PM2.5 particles increasing by a factor of 15. According to the Ministry of Ecology, the main contributing factors remain the same: weak winds, temperature inversions, poor atmospheric ventilation, heavy urban traffic, large-scale construction projects and a shortage of green spaces.

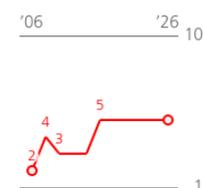
In July 2024, President Mirziyoyev adopted the decree “On Creation of the Climatic Council under the President of the Republic of Uzbekistan.” This council will advise the president on climate change, improving institutional mechanisms with the goals of formulating a single state policy to mitigate the consequences of climate change and implementing Uzbekistan’s commitments under the Paris Climate Agreement.

In 2023 – 2024, the president and the government paid some attention to the development of green and renewable energy. In the field of green energy, 16 large-scale solar and wind power plants, with a total capacity of 3,500 megawatts, have been launched, generating 10 billion kilowatt-hours of electricity annually. By 2025, the share of green energy in Uzbekistan’s energy mix will exceed 16%, with clean energy capacity having multiplied by two to three times annually over the course of recent years. Individuals and legal entities that use renewable energy installations receive exemptions from property and land taxes.

The year 2025 has been designated the “Year of Environmental Protection and Green Economy.” At the beginning of the year, Uzbekistan’s Ministry of Ecology, Environmental Protection and Climate Change, jointly with the UNDP, launched two international projects funded by the Global Environment Facility. The first initiative seeks to help Uzbekistan update its National Biodiversity Strategy and Action Plan. The second will focus on practical measures to create conditions for restoring ecosystems.

Environmental
policy

5



Uzbekistan's state spending on education amounted to about 5.5% of GDP in 2024. Uzbekistan's R&D expenditure is 0.2% of GDP. The total number of higher education institutions reached 224 in the 2023/2024 academic year. These institutions can be categorized by ownership type: state, non-state and foreign.

In Uzbekistan, 11 years of education are compulsory and free; this includes four years of primary school, followed by two phases of secondary education respectively lasting five and two years. Primary school begins at age six, and there is no specific examination after the four years are complete.

The country's score on the U.N. Education Index is 0.73. It ranks 83rd among the 133 economies featured in the 2024 Gender Inequality Index.

In a December 2024 report, the minister of preschool and school education noted that progress had been made in both the preschool and school education sectors. Since 2017, the number of kindergartens has increased eightfold to 38,000, and enrollment coverage rose from 27% to 76%. More than 5,000 schools have been built or renovated over the past seven years, including 608 in 2024 alone. In 2025, more than 100 new schools are set to be built, offering space for 257,000 students. Additionally, the number of schools teaching a second foreign language will increase to 420, while 400 schools will focus on vocational education. As part of efforts to align the education system with international standards, the state education program will be updated.

Meanwhile, Uzbekistan's education system faces several challenges, including a growing population, a need for still more schools and a lack of student accommodations.

In a significant milestone for Uzbekistan's higher education sector, 23 Uzbek universities were included in the QS Asia University Rankings 2025, released Nov. 6, 2024, by the global analytics agency QS Quacquarelli Symonds. In 2024, the higher education enrollment ratio increased more than fourfold, reaching 43%. The total number of students exceeded 1.4 million.

Funding for scientific research, maintaining the library system, purchasing new literature and improving faculty remuneration are on the agenda as priorities.

The New Development Strategy 2022 – 2026 pays special attention to reforms to the education system. In particular, the goal of Article 46 is to reach a 50% enrollment ratio in higher education. State higher education institutions will be granted greater academic freedom and financial autonomy. This ambitious decision could lead to a breakthrough in the higher education system. Article 49 sets a target of having at least 50 non-governmental private higher education institutions in the country by 2026. Currently, 10 universities are expected to be prepared for inclusion in the international QS and THE rating systems by 2026.

Education policy /
R&D

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In the higher education sector, significant reforms are expected, as entailed in Article 50 of the New Development Strategy. One provision sets a target of doubling the number of “free and creative thinking youth” sent to prestigious foreign universities through the “El-Yurt Umidi” Foundation channels (50% of these are expected to be in the natural sciences, technical fields or information technology).

Governance

I. Level of Difficulty

The structural constraints on governance are significant but manageable. Growing poverty levels, severe unemployment and infrastructural deficiencies in provincial areas (in many towns and villages, the local population suffers from a lack of gas, electricity and water) has driven internal migration to urban areas. This, in conjunction with external labor migration, has led to overpopulation in the capital, Tashkent.

The quality and efficiency of public transport in Tashkent has worsened significantly in recent years. Public transport – buses and the underground metro system – is overcrowded. Moreover, heavy traffic jams in the capital have become a serious problem for the entire transport system, which has exacerbated another essential infrastructure issue – the need to build more transport bridges, overpasses and tunnels. In addition, there is a lack of qualified professionals in many sectors, primarily in state management.

The very concepts of civil society and social capital must be applied with caution to non-Western contexts, including Uzbekistan. In the West, civil society activities are premised on advancing individual interests. In Uzbekistan, associations tend to be based on kinship, traditional forms of organization and welfare support that fills the niches left unaddressed by the state.

In Uzbekistan, the most traditional form of public association within civil society is the mahalla. These community-based organizations function as self-governing bodies. They play an important role in resolving family and neighbor disputes and in maintaining the community. Mahallas can serve as a foundation for civil society participation within the country, but their existence has also limited space for independent activism or critical discourse outside the mahalla structure.

Despite the lack of civil society traditions as understood in the Western context, some NGOs and individuals demonstrate enthusiasm for advancing public and private interests and voicing specific social needs. For instance, environmentalists and youth organizations are gradually expanding. Likewise, social media networks are growing. In practice, however, the most important feature of civil society – pluralism – remains limited by the state.

Structural constraints

7



1

Civil society traditions

7



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In April 2020, a presidential decree was issued establishing the Public Chamber within the president’s administration. Its stated goal was to promote the active participation of citizens in public affairs. The Public Chamber was intended to make annual presentations to the president and on the state and development of civil society. However, as of the end of 2024, the chamber had not yet begun to operate.

In March 2021, the president signed a decree on the “Conception of Development of Civil Society in 2021 – 2025.” It includes a road map that, among other measures, calls for a deeper study of civil society problems and broader state support for civil society institutions. In August 2024, the president signed a decree “On measures on further improvement of the system of the state support of the civil society institutions,” which envisions the creation of a special fund to support civil society institutions, the activation of public councils created in all ministries, and support for special projects carried out jointly by NGOs and state entities.

In 2024, there were no violent incidents motivated by social, ethnic or religious differences. However, latent divisions exist within society and the political elite along local, regional and social dimensions. Some tension persists between the center and the periphery as well as between the extremely rich and the desperately poor.

Interreligious and intrareligious conflicts are least likely to occur. The government has been able to uproot the remnants of Islamic extremist groups, and the population at large shows greater interreligious and interethnic tolerance. Religious extremist groups continue to target Uzbeks for recruitment, but the country does not provide fertile ground for terrorism.

One disturbing case related to an intra-elite power struggle attracted attention in 2024. Komil Alamjonov served as the head of the department of information policy in the Presidential Administration. In September 2024, he was dismissed. He was a very influential and well-known official. Later, in October 2024, an assassination attempt was made against him. Such a crime had never before been committed against an official. The investigation is ongoing and has so far revealed that an unhealthy atmosphere is emerging within the political elite.

Conflict intensity

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II. Governance Performance

14 | Steering Capability

In January 2022, the Uzbek government adopted the New Development Strategy 2022 – 2026, which defines seven strategic objectives aimed at turning Uzbekistan into a middle-income country (based on the IMF definition). The strategy builds on earlier reforms and focuses on attracting investment, improving the business climate, encouraging regional development and reducing poverty.

The Uzbek government has partnered with various international agencies for technical and other assistance, which has encouraged Tashkent to stay the course on reforms. Yet, due both to structural constraints and reasons of political expediency, the government has not followed through on the strategic priorities. One example of the latter factor is the continuation of an outdated tradition of giving each year a special designation. The year 2023 was vaguely labeled “The year of attention to person and qualitative education.” The following year, 2024, was proclaimed “The year of the youth and support of business.” These efforts appear to be using populist framings, and often fail to deliver on their implied promises.

In December 2024, the president gave a speech at a meeting with businesspeople in which he outlined the government’s priorities for 2025. He proclaimed that “the development of entrepreneurship is our strategic task. Therefore, officials at all levels, from the top to the lowest structures, must support entrepreneurs.” For this task, a special Public Council was created, which was described a bridge between the state and the business sector. In 2024, five laws and 101 decrees were adopted to support the business community.

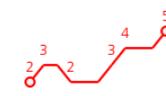
Another priority is developing the energy sector. In December 2024, new solar and wind power plants with a capacity of 2.4 GWt were launched in six provinces of Uzbekistan.

Question
Score

Prioritization

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Implementation capacity within the government and administration is strong in principle, but is constrained by the authoritarian nature of the regime and various forms of sabotage of reforms. Progress toward the achievement of set tasks is monitored and controlled hierarchically. An important impediment to steering and implementation capacity is the fact that the political and economic systems are strongly centered around the president. His frequent inspections of provinces heighten his personal visibility across the entire country on the one hand, but on the other serve as a routine tool for checking on and correcting policy implementation. However, as the president himself has conceded, this amounts to management by “manual control,” with serious inherent limitations.

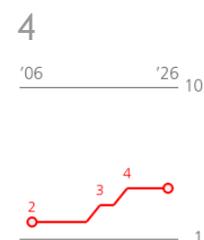
With regard to tasks such as building new railroads, highways and bridges; constructing new manufacturing plants; cultivating cotton; and mining gold and uranium, strategic plans are usually well designed and implemented. However, there have been severe problems with frequent blackouts and disruptions in the gas supply, especially in the 2023 – 2024 winter season. This crisis revealed fundamental problems in the energy system that had accumulated over the last several years. It also sparked serious resentment and protests among the population. At the same time, the crisis revealed significant deficiencies in the government’s implementation of strategic tasks.

The problems in the environmental sphere are especially acute. Despite presidential decrees and calls to protect green zones, neither the Ministry of the Environment, other state agencies or local-level khokims (mayors) are able to implement environmental policy tasks efficiently. Cutting trees is prohibited, but even large green zones are being leveled in order to facilitate the construction of new housing and business centers.

The Development Strategy of Uzbekistan for 2022 – 2026 is being implemented relatively well in some areas, but many areas remain poorly addressed. For example, the value-added tax rate was reduced to 12%, as planned. In 2022, procedures for obtaining licenses and other permissions for some types of business activities – as was envisaged in the Strategy – were significantly simplified. An online portal was even created to inform the population about the implementation of the Strategy and other state programs.

However, corruption remains a serious problem, and state officials’ lack of relevant qualifications for their posts is often obvious and state officials’ lack of relevant qualifications for their posts is often obvious. For example, the strategy envisions strengthening local councils’ control over local executives, thus empowering the elected power structures. However, local executives remain extremely powerful, while the local councils are largely impotent.

Implementation



There are relatively few capable independent think tanks or academic institutions that critically review existing policies or analyze the problems the government faces and the mistakes it makes, even to a limited degree. However, the political leadership also receives technical advice from international institutions whose offices operate in Tashkent, such as the UNDP, OSCE and the World Bank. The expertise provided by international experts is accepted by the government, and the efficiency of such interactions is expected to increase in the context of the ongoing new stage of reforms. January 2019 saw the establishment of a new Expert Council composed of successful businesspeople, officials, scientists, foreign consultants and expatriates. Yet its work is still opaque, and the degree to which it is efficient is unclear.

At the same time, one essential requirement for policy learning – a pluralist and critical atmosphere – remains underdeveloped in Uzbekistan. Government decisions and actions are well described and explained by the media and affiliated experts, but are seldom evaluated critically.

Particularistic interests and clientelism, as well as a lack of consultation, serve to narrow policy options, constrain policy implementation and limit the government’s flexibility to modify its course. For example, in the aftermath of the energy crisis, the public, the media and experts began raising vital questions about the content and benefits of the gas contracts signed with Russian companies. They have argued that lessons must be learned from these contracting practices allowing for the prioritization of national interests and the prevention of future energy crises.

Moreover, in May 2024, a decision was made regarding the construction of a nuclear power plant in Uzbekistan, and a contract was signed between Rosatom and Uzatom, the Uzbek Atomic Energy Agency. This decision sparked critical public debate over the lack of adequate exploration of the project. Thus, in this case, the political decision made behind closed doors revealed a lack of policy learning, obscurantism toward scientific expertise, the dominance of private interests and, not least, geopolitical pressure from Russia.

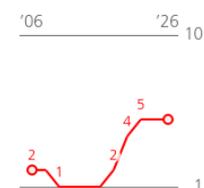
15 | Resource Efficiency

Personnel quality is a major challenge in Uzbekistan. Quality in this case refers broadly to qualifications, skills, activity, responsibility, communication and openness. Increasing quality would entail merit-based hiring. However, personnel recruitment today still replicates the old-fashioned Soviet tradition, and remains opaque in many instances. Nepotism remains pervasive.

According to numerous expert reports and critical remarks by the president, the level of efficiency and qualifications among state personnel is very low, and inter- and intra-agency communication is not sufficiently effective.

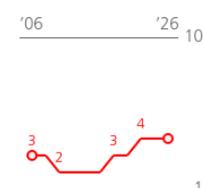
Policy learning

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Efficient use of assets

4



In October 2024, the Center for Evaluation of Management Personnel under the Agency of State Service was established. The new center plans to develop a matrix of competencies and indicators for various state positions and assess the professional qualities of officials based on sociopsychological studies.

The budget deficit in 2024, according to the Ministry of Economy and Finances, is increasing. In the January – March 2024 period, it exceeded \$1.56 billion, which is a record for the past 12 years.

Transparency in the government system have declined compared with the previous period, including with respect to policy coordination mechanisms. The regime combines various coordination styles – hierarchic-bureaucratic, informal-network, personalist, centralized and even ideological – and these tactics sometimes help with the implementation of government tasks. In this way, a degree of policy coherence becomes visible, based on strict executive discipline and vigilant surveillance from the top.

The president regularly inspects the state of affairs in the country’s provinces and frequently replaces the khokims (mayors) of provinces and cities. This practice serves three interrelated objectives: 1) preventing the concentration of too much local power in the hands of khokims, who often abuse their power; 2) limiting the scope of corruption; and 3) ensuring executive discipline.

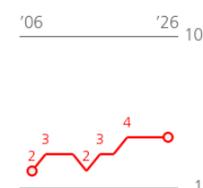
The parliament, with its tendency toward near-unanimous votes, seems to indicate that legislation is seemingly well coordinated. However, this reflects a situation in which trade-offs are artificial rather than being openly negotiated. For example, despite the president’s “green zones” policy and a moratorium on cutting trees, in many places khokims prioritize business interests and permit the cutting of large green areas. Such cases generate significant resentment within the local population.

One of the sharpest examples of counterproductive policy coordination is the long-standing mismanagement of the construction business for the benefit of corrupt companies and branches of executive power. This has proved extremely harmful to the environment.

Recently, a relatively new element of policy coordination was introduced. The presidential decree “On Strategy Uzbekistan-2030” has tasked the Ministry of Justice, together with the Development Strategy Center and the Yuksalish National Movement with regularly monitoring the implementation of the strategy and reporting monthly to a national-level commission. However, both centers are GONGOs, and this thus creates minimal opportunity for public engagement in the process.

Policy
coordination

4



The New Development Strategy 2022 – 2026 outlines various anti-corruption efforts. For instance, it calls for measures such as reducing conflicts of interest in the state service, increasing openness and expanding public participation in anti-corruption activities, introducing information technologies and artificial intelligence (AI) in this sphere, and educating people to embrace zero tolerance for corruption.

In June 2023, a law called “On Conflict of Interests” was adopted, defining “conflict of interests” as a situation in which a person’s personal interest can affect the proper performance of their professional duties, and in which a contradiction can emerge between personal interest, on the one hand, and the rights and legal interests of citizens and organizations, on the other.

The State Anti-Corruption Agency, in collaboration with UNDP, has launched the Transparent Cities and Honest Districts projects, devoted to detecting, preventing and eliminating corruption risks among civil servants. The initial phase began in the Mirzo Ulugbek District of Tashkent, the city of Jizzakh and the Bukhara Province.

At the anti-corruption forum held in Tashkent in December 2024, the chairman of the State Anti-Corruption Agency reported that the incidence of crimes related to bribery had decreased, but cases of embezzlement of budget funds and the abuse of official powers had become more frequent. In 2023, the Tashkent branch of the Internal Affairs Ministry arrested about 100 criminals who were called “street gangsters” and were deeply involved in corruption, blackmail and street bandit activity. Fifty-six of them were sentenced.

16 | Consensus-Building

The consensus on democracy can be understood as “consensus by default.” The absence or weakness of pluralist discussions in the authoritarian system and the authority of the president have created a political and social environment in which consensus appears to be well established and guaranteed. President Mirziyoyev seeks to cultivate consensus through dialogue and engagement with the public. In particular, he delivers long public speeches and annual addresses to parliament. In general, this consensus depends on the popularity of the country’s leader. However, it is, so to speak, an authoritarian consensus; a gap between the demonstration of consensus on democratic goals and their actual implementation persists. At the same time, the conformist and opportunistic character of the country’s political and economic elites reinforces this consensus. The political process in Uzbekistan does not display genuine pluralism because it lacks a real opposition. The existing parties are opportunistic.

The consensus in favor of a market economy is strong and widely evident. This is reflected not only in public discourse but also in economic decisions. For instance, privatization efforts are underway, foreign trade has been largely liberalized, private

Anti-corruption
policy

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Consensus on goals

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universities are being established, small businesses and entrepreneurs play an active role in the economy, efforts to reduce monopolies are underway, and private banks play a role in the financial sector. All strategic documents, such as the Uzbekistan-2030 strategy and normative acts consistently articulate support for private ownership, the development of entrepreneurship and market reforms.

In the context of Uzbekistan, the question “To what extent can reformers exclude or co-opt anti-democratic actors?” can be reformulated as “To what extent can an authoritarian regime include or co-opt pro-democratic actors and reformers?” There remains an essential gap between de jure and de facto democracy. This helps explain why the regime is comparatively sophisticated and pro-democratic actors are fragile both within the government and in society.

Anti-democratic actors are those who intentionally or unintentionally sabotage ongoing reforms; they include corrupt officials, executives, agency heads and managers who abuse their power, and unqualified or irresponsible careerists who block democratic forces for their own benefit.

President Mirziyoyev’s practical commitment to democracy remains vague, because the political sphere has not been a primary target of reforms, and reforms of the party system and parliament, as well as the process of electing local khokims (mayors), have been delayed. Hence, exactly how far the president is ultimately willing to go as he claims to be engaging in reform remains to be seen – including whether he will ultimately remove obstacles to democratic reforms.

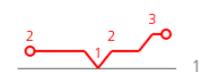
Meanwhile, on April 30, 2023, a referendum was held for the approval of new constitutional amendments. The new text of the constitution was prepared in an undemocratic manner, and democratic input was largely ignored. In the wake of the referendum, presidential elections were held in June 2023, and the incumbent, Shavkat Mirziyoyev, was re-elected. According to independent experts, the referendum was primarily organized in order to expand the presidential term from five to seven years, thereby prolonging the term of the incumbent.

On October 27, 2024, parliamentary elections were held that, like the referendum, were very formalistic and pseudo-innovative. The introduction of a “mixed” electoral system without proper preparation only confused people who were not ready for such an “innovation.” In sum, anti- or non-democratic actors simply simulate democratic processes.

Anti-democratic
actors

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The regime has not had to face serious cleavages along social, religious or ethnic lines. In general, the political leadership is able to moderate cleavage-based conflict, in part because of deeply rooted interethnic, religious and cultural tolerance, which makes potential cleavages less likely. Moreover, civil society remains politically fragile and passive, and there is no opposition party to challenge the status quo. Finally, a characteristic of Uzbek society is political withdrawal and conformism, a Soviet legacy.

By contrast, in many parts of the country, “new types” of conflicts are emerging: People are becoming angry and prone to conflict over gas and electricity blackouts, poorly regulated construction work, the cutting of thousands of trees everywhere, severe traffic in the capital, and growing corruption and abuses of power by local executives and law enforcement agencies.

The government seeks to explain these problems, but people are becoming less trusting. Small, spontaneous local protests and complaints occur, but they do not challenge the political regime.

In 2024, the president required that the role of the opposition in parliament be strengthened. Although no opposition exists there, this requirement appeared to be a cautious step toward real political pluralism in the country’s political system.

Uzbekistan’s civil society is dominated by government-organized non-governmental organizations (GONGOs) that are periodically invited to meetings at the local and top levels. However, these organizations should not be confused with independent civil society institutions. The Public Chamber, created in 2019 – a special body under the presidency tasked with consulting directly with civil society on policy matters – remains inactive.

Relatively active civil society actors do try to use sophisticated channels, both formal and informal, to deliver their messages and demands to decision makers. They sometimes collaborate with GONGOs or use internet channels or personal communication channels to reach the decision-making circles.

In March 2021, the president signed a decree adopting the new “Conception on the Development of Civil Society for the Period of 2021 – 2025.” This document introduced an index of openness with regard to NGO activity. For example, it identifies the following measures as high priorities:

- Consistent improvement of the legal basis for civil society development;
- Improvement of the mechanism for supporting civil society institutions.
- Creation of the necessary conditions for the active participation of civil society in state and public management;

Cleavage /
conflict
management

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'06 '26 10



Public
consultation

4

'06 '26 10



- Expansion of the scope of participation by civil society institutions in the realization of public social projects; and
- An increase in openness to the activities of civil society institutions.

In August 2024, the president signed another decree “On Further Improvement of the State Support of Civil Society Institutions.”

Pursuant to this decree, the most prominent GONGO, Yuksalish, organized a Civil Society Forum in December 2024 that lasted one week. The forum was devoted to discussing problems facing civil society institutions and sharing best practices.

Some independent think tanks and YouTube studios have demonstrated visible activism, for instance, by expressing concern about important and sensitive issues such as the construction of the nuclear power plant in Uzbekistan. Civil society groups are increasingly becoming active on social media networks, especially Facebook.

The president has created an atmosphere of broad political consensus in society. This consensus is backed by his personal authority and the progress of his reforms. However, the authoritarian mode of reconciliation is challenged by the widening gap between the reform-oriented and reform-demanding strata of society on the one hand and conservative and anti-reformist segments of society on the other.

The two most sensitive issues that could cause some polarization in society and perhaps require reconciliation measures – religious extremism and political opposition – have so far been kept at the political periphery in Uzbekistan. Both issues are strictly limited, and political antagonism typically stays within reasonable bounds in the country.

At the same time, law enforcement agencies intermittently use repressive measures against independent journalists, human rights defenders and political opponents. In 2023 – 2024, some prisoners were released, but some individuals who demanded “too much” or made their demands “too loudly” were harassed. As for historical injustices, such cases were not articulated during the period in question.

Reconciliation

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17 | International Cooperation

Uzbekistan succeeds in securing and effectively using international support and assistance. Selected examples include the following.

The United Nations provides assistance in implementing the Sustainable Development Goals. Uzbekistan has adopted the targets associated with the SDGs through 2030. A special online platform (<http://nsdg.stat.uz>) was created to monitor implementation of the SDG program.

In 2023, under the auspices of EU-AGRIN project, funded by the European Union, the country focused on innovative methods for growing water-saving, fast-ripening and high-yielding cotton varieties.

On September 13, 2024, UNDP, together with the National Agency of Perspective Projects under the presidential administration and the Islamic Development Bank, held a roundtable on “Introduction of Islamic Finance in Uzbekistan: Opportunities and Challenges,” aimed at facilitating the exchange of views among key government agencies during discussions of the draft law “On Capital Market in Uzbekistan.” The event was attended by more than 30 representatives of key stakeholders, including the Ministry of Economy and Finance; the central bank; the Ministry of Investment, Industry and Trade; the Ministry of Justice; the Committee of Religious Affairs; the Tax Committee; the Chamber of Commerce and Industry; and leading think tanks.

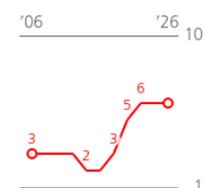
On June 6, 2024, the Ministry of Ecology, Environmental Protection and Climate Change and the UNDP, in partnership with the International Union for Conservation of Nature (IUCN), held a validation workshop as part of a new joint project supported by the Global Environment Facility (GEF) aimed at restoring and sustainably managing natural ecosystems in Uzbekistan.

In January 2024, the EBRD approved its Uzbekistan Country Strategy 2024 – 2029. The main goals of this strategy are: 1) enhancement of competitiveness by strengthening the private sector’s role in the economy; 2) promotion of green energy and resource solutions across sectors; and 3) support for increased regional and international cooperation and integration.

In November 2024, an agreement between the UAE-based Masdar renewable energy company and Uzbekistan’s Ministry of Energy was finalized during the COP29 climate conference, marking a major step forward in the country’s push for sustainable energy solutions. The new plant to be built under the agreement is projected to generate 3.5 billion kWh of electricity annually, equivalent to saving approximately 1 billion cubic meters of natural gas each year. In December 2024, the president inaugurated the 500 MW Zarafshan wind farm, the largest in Central Asia.

Effective use of support

6



On June 4 – 6, 2023, senior government officials met with U.S. companies that attended a U.S. Department of Commerce-certified trade mission hosted by the American Chamber of Commerce in Uzbekistan (AmCham). The trade mission followed U.S. Secretary of State Antony Blinken’s March 2023 official visit to Tashkent. Throughout the year, these officials attended many other in-person and virtual meetings with representatives of U.S. companies, including at the European Bank of Reconstruction and Development (EBRD) Annual Meeting held in Samarkand May 16 – 18, 2023.

By and large, the government has clear aims for political and economic development and a road map specifying steps to reach them – as reflected in the development strategy that lasts through 2030. International organizations (banks, financial institutions and foundations) that provide international assistance have not complained about or criticized Uzbekistan for inconsistencies or similar shortcomings that would negatively affect its international engagements.

Many international agencies, state officials and experts have emphasized Uzbekistan’s growing credibility. For the most part, the government acts as a credible and reliable partner. It demonstrates a notable level of engagement in international cooperation.

The human rights situation has improved slightly, and a number of political prisoners have been released. The investment climate has improved. Taxes have been reduced. Foreign trade has been further liberalized. The visa regime has been simplified. The national currency’s convertibility is guaranteed. These and other improvements have created a positive image and have enhanced the country’s global credibility, as such criteria are often considered by various international financial agencies and foundations.

On April 27/28, 2023, the government hosted the annual Tashkent International Investment Forum, which was attended by more than 2,500 participants from the Middle East, China, Türkiye, the European Union, the United States, the U.K. and other countries. At the Forum, the government and participants discussed the development of green technologies and further economic reforms. On August 29, 2023, Tashkent hosted the Interim Session of the Council of Foreign Investors (FICU), at which the government and investors discussed current problems and pending issues.

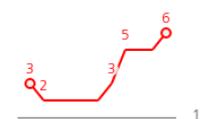
After Russia’s unprovoked and unjustified full-scale invasion of Ukraine, Uzbekistan formally committed to complying with U.S. and EU sanctions and trade restrictions against Russia.

The Development Strategy of Uzbekistan for the period 2022 – 2026 envisioned that the country would finally join the WTO in 2023. Negotiations accelerated in 2024, and it was officially announced that Uzbekistan would become a WTO member by 2026.

Credibility

6

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Regional cooperation between Uzbekistan and neighboring Central Asian countries is developing well, though not without ups and downs and contradictory trends.

In August 2024, the sixth Consultative Meeting of the Presidents of Central Asia was held in Astana, Kazakhstan’s capital. This format of regional integration, initiated by Uzbekistan President Shavkat Mirziyoyev in 2017, has evolved into a steady process of communication among the leaders of the Central Asian states. However, it has not yet been transformed into an institutionalized mechanism of integration. At the sixth Consultative Meeting, a “Conception of Cooperation of Central Asia-2040” was adopted, but, surprisingly, it did not envision full integration even by 2040, and was designed simply in the spirit of ordinary cooperation. Thus, the document appeared neither strategically ambitious nor conceptually strong.

Beyond such consultative meetings, there has been notable progress in bilateral and regional cooperation. A Treaty on Alliance Relationship between Uzbekistan and Tajikistan was signed in April 2024, representing a major achievement for both countries, which just a few years ago had significant problems in their relationship.

Additionally, Kyrgyzstan and Uzbekistan reached an agreement under which citizens of both states may visit each country without international passports, using only internal ID cards. A similar agreement is expected to be signed soon between Uzbekistan and Kazakhstan. Thus, the first signs of a complete “no-visa regime” across Central Asia can be observed.

Construction of the long-awaited China-Kyrgyzstan-Uzbekistan railway was officially launched in 2024. This railway will become an important segment of the West China-Europe transport corridor.

Meanwhile, Tashkent’s increasing drift toward Russia has become evident. During 2023 – 2024, the Uzbek president met with his Russian counterpart at least 10 times. In addition to the president, the prime minister, ministers and other officials frequently visit Moscow, indicating Tashkent’s growing dependence on Moscow.

An interesting diplomatic process known as C5+1 has been unfolding over the last several years. At the 78th U.N. General Assembly session in September 2023, Uzbekistan’s President Shavkat Mirziyoyev said that about 10 C5+1 formats already exist, pointing to the emerging profile and special role of Central Asia in the international system.

In this web of C5+1 groupings, the agency of Central Asian countries as a single region in the international system is being tested. Interestingly, the fact that extra-regional powers such as China and Germany are proposing and advancing such a geometrical formula illustrates, among other things, their acknowledgment of the region’s existence as a special grouping of five states. The question is how these five countries will benefit from the C5+1 geopolitical framework.

Regional cooperation

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Strategic Outlook

Despite its scale and ambition, President Shavkat Mirziyoyev's new course is not without its controversies, risks and challenges. Corruption continues to undermine the economic, political and moral fabric of the state and society, and is therefore a significant obstacle to reform.

Another fundamental issue threatening the success of these reforms is the quality of the civil service. This is tied to problems in selecting and recruiting state officials and civil servants, as well as to stagnation within the political elite. Many bureaucrats and state officials, particularly among the older generation, have become key barriers to the progress of comprehensive reforms.

The new parliament, elected in 2024, has yet to demonstrate true democratic independence or a meaningful shift toward transparency and independent policymaking.

From a strategic standpoint, several crucial steps in the reform process remain unrealized and are urgently needed. These include integrating NGO representatives into the parliament; activating the Public Chamber under the presidency; adopting a new NGO code; privatizing major state-owned companies and assets; further reforming education; and introducing direct elections for khokims (local executive heads). Given these outstanding priorities, political reforms in these areas must be accelerated in the near term.

The ongoing geopolitical turbulence is also likely to influence Uzbekistan's foreign policy. The war in Ukraine has posed an unprecedented challenge for the country. By 2024, Moscow's pressure on Tashkent had become more overt. Uzbekistan's "neutral" stance during several U.N. General Assembly votes on condemning Russia for its aggression against Ukraine placed Tashkent in a difficult position – reluctant to make a clear choice when the right decision seemed obvious. In response, Tashkent is keen both to enhance regional cooperation in Central Asia and to diversify its foreign policy, economic and trade relationships so as to reduce its overreliance on Russia. As part of this shift, the process of Uzbekistan's accession to the World Trade Organization (WTO) has gained renewed momentum.

The Uzbekistan-2030 strategy, which is being widely promoted by the government, outlines ambitious goals intended to drive both domestic and foreign policy. Strategically, the following priorities should guide the country's future trajectory: Domestically, the government should focus on strengthening environmental protection policies, advancing comprehensive political reforms including the formation of an opposition party, combating corruption and halting chaotic construction processes. On the foreign policy side, it should intensify regional integration within Central Asia, moving especially toward the creation of a permanent regional political institution; develop strategic partnerships with the United States and European Union in order to counterbalance Russia's geopolitical influence; and diversify labor migration patterns so as to reduce Uzbekistan's dependence on Russia in this area.