

# **E-Commerce development in the Republic of Uzbekistan**

**Tolibjon Mirzakulov**

**Head of Ecommerce Department  
Ministry of ICT Uzbekistan**





# About Uzbekistan

## Key information

Comparable to Spain or California



**Area**  
448,978 sq. km

Largest in the region



**Population**  
32.6M (72% under 40)



**GDP**  
USD 30.6 billion



**Capital**  
Tashkent  
(2.3M – official data)



**Urbanization**  
~50%



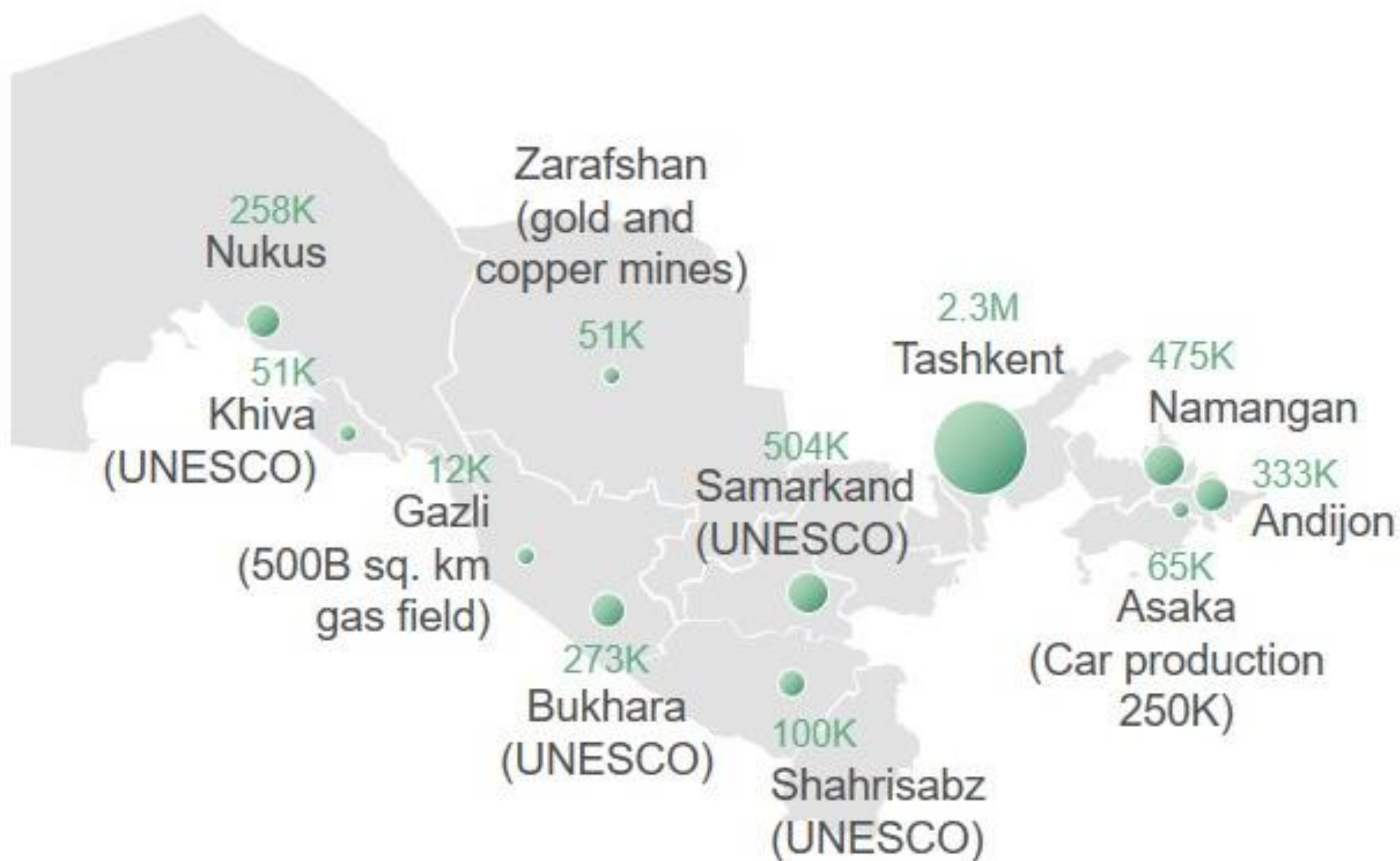
**Official currency**  
"Sum" – UZS  
(UZS/USD = 8'200)



**Languages**  
Uzbek (official), Russian  
(commonly used)



**Political system**  
Presidential multi-party  
democratic republic



● XX size of population

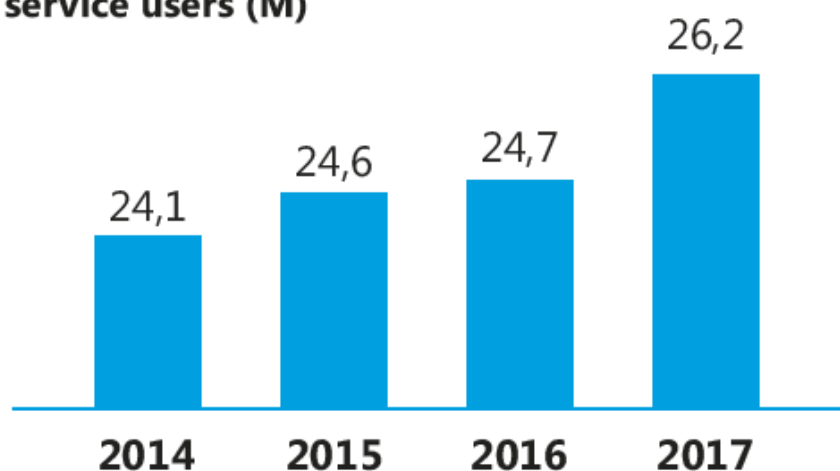


**26,2 M** | The number of mobile and fixed phone service users



Mobile phones | Fixed phones

Growth rate of mobile and fixed phone service users (M)

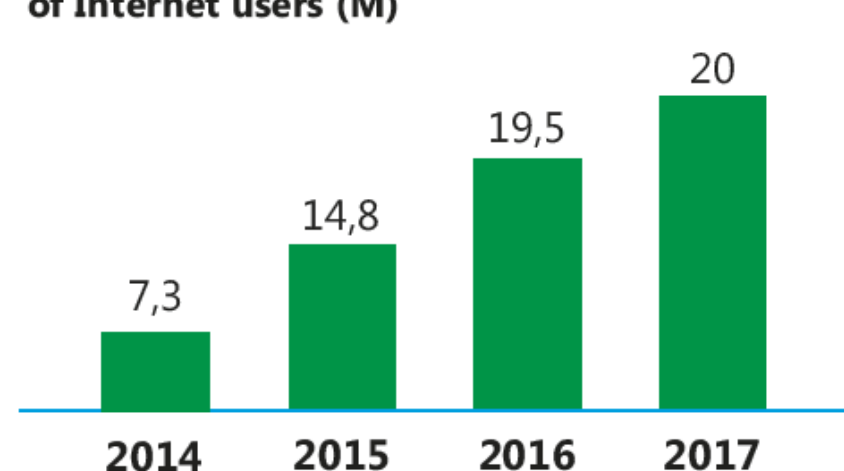


**20,0 M** | The number of Internet users



Mobile Internet | Wired Internet

Growth rate of Internet users (M)



The coverage of mobile networks in Uzbekistan

**2G** 11,7K settlements

2G coverage

**3G** 3,5K settlements

3G coverage

**4G** 123 settlements

4G coverage

**3 984** base stations

Additional base stations to be installed»

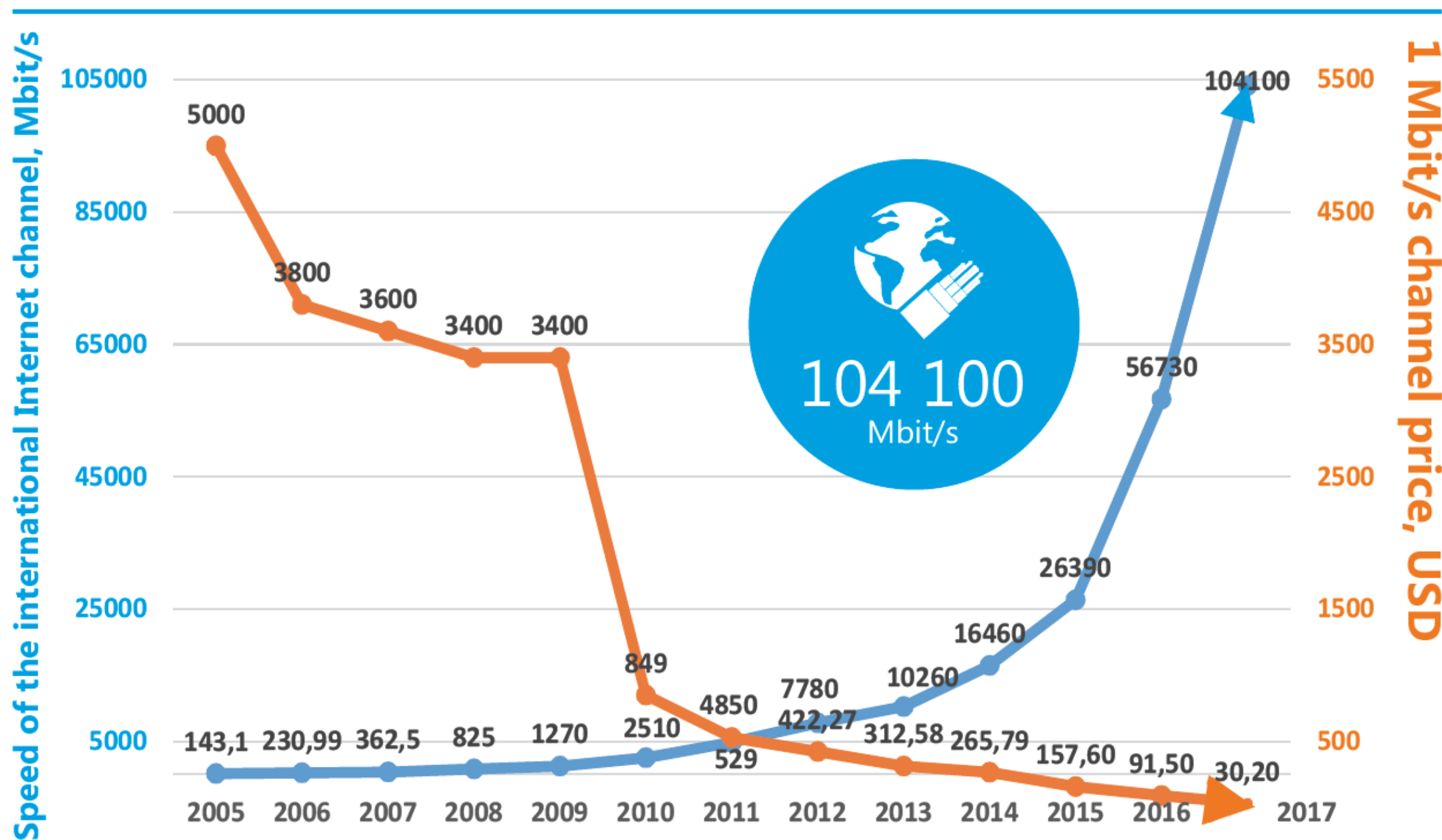
**318** stations

modern station devices have been installed in 248 rural areas

**2350** km.

fiber-optic network lines built.

Dynamics of growth of the international Internet channel and its prices reduction.




On 1<sup>st</sup> December 2018 Internet Speed increased from **100 Gb/s** to **1000 Gb/s**






# ① Action strategy for 2017-2021 sets up investment climate and FDI attraction as key priorities

## President Strategic Priorities

 State and public institution improvement



 Supremacy of the rule of law

 **Economic development and liberalization**

 Development of the social sphere

 Security, interethnic harmony, and religious tolerance, and constructive foreign policy

## Key areas of the economic policy

- Stable foreign exchange rate
- Modernization of the economy
- Technology development
- **FDI promotion and investment climate**
- Private property protection mechanisms
- Tax system
- Banking system and financial markets





## Legislation base in the field of E-Commerce

- Law “on Electronic Commerce”
  - Adopted in 2004
  - Revised in 2013
  - Drafted new version (planned time to adopt – 2019, I quarter)
- Laws on “Electronic Document Exchange”, “Electronic Digital Signatures”, 2005-2008
- “E-commerce Development Conception for 2016-2018”, Resolution of Prime Minister, 2015
- “E-commerce rules and guidelines”, Resolution of Prime Minister, 2016
- “E-commerce development program for 2018-2021”, Presidential Resolution, 2018





# Resolution of the President of the Republic of Uzbekistan "On Accelerating the development of e-Commerce» adopted in 2018



## Электрон тижоратни жадал ривожлантириш чора-тадбирлари тўғрисида

Замонавий ахборот-коммуникация технологияларини жорий этиш бўйича амалга оширилаётган чора-тадбирлар иқтисодиёт тармоқларини рақамлаштиришда, шу жумладан электрон тижоратни ривожлантиришда муайян натижаларга эришиш имконини берди.

Шунга қарамай, мамлакатда электрон тижоратнинг тўлақонли бозорини яратишга, товарлар (хизматлар) ишлаб чиқарувчи маҳаллий корхоналарнинг ташқи бозорларга чиқишига тўсик бўлаётган қатор муаммо ва камчиликлар сақланиб қолмоқда. Хусусан:

**биринчидан**, электрон тижорат соҳасидаги муносабатларни ҳуқуқий тартибга солишнинг амалдаги тизими соҳа тараккиётининг жадал суръатлардаги ўзгаришларига мос келмайди ва ўз навбатида аҳоли кенг қатлами ва тадбиркорлик субъектлари учун электрон тижоратдан фойдаланиш имконини таъминламайди;

**иккинчидан**, маҳаллий тадбиркорлик субъектларига ташқи бозорларда тўлиқ рақобатлашиш, шунингдек, қаражатларни оптималлаштириш имконини бермаётган электрон тижорат орқали товарлар (хизматлар)ни экспорт қилишнинг эскирган бюрократик тўсиқлари сақланиб қолмоқда;

**учинчидан**, электрон тижоратни ривожлантиришга йўналтирилган замонавий ахборот-коммуникация технологияларини жорий этиш жараёни лозим даражада йўлга қўйилмаган, бу эса иқтисодиётни рақамлаштириш ва тадбиркорлик фаолияти ривожланишининг тўхтаб туришига олиб келмоқда;

**тўртинчидан**, маҳаллий тўлов тизимларининг машҳур хорижий аналоглари билан интеграцияси йўқлиги, мамлакат тадбиркорлик субъектларининг электрон тижорат соҳасидаги етакчи хорижий ташкилотлар билан тўлиқ халқаро ҳамкорликда ишлашларига, шунингдек, маҳаллий бозорнинг экспорт салоҳияти ва рақобатбардошлигига таъсир қилмоқда;

**бешинчидан**, электрон тижорат имкониятлари ва афзалликларини, жумладан, товарлар (хизматлар) учун, айниқса, жойларда нақд пулсиз ҳисоб-китобларни оммалаштириш даражаси пастлигича қолмоқда, бу эса хуфёна иқтисодиёт ҳажмининг ошишига ва давлат бюджетига солиқ тушумларининг камайишига олиб келмоқда;

**олтинчидан**, амалдаги солиққа тортиш тизими электрон тижорат соҳасидаги тадбиркорлик субъектлари, жумладан, ахборот воситачилари

The main objectives of the resolution:

- Improvement of the legal and regulatory framework for the development of e-Commerce;
- Organizational and technical measures to create favorable conditions for the development of e-Commerce;
- Development of e-Commerce logistics infrastructure;
- Formation and development of human resources in the field of e-Commerce;
- Promotion and popularization of e-Commerce among the population and business entities.





# Enabling environment for e-Commerce created within the framework of Presidential Resolution

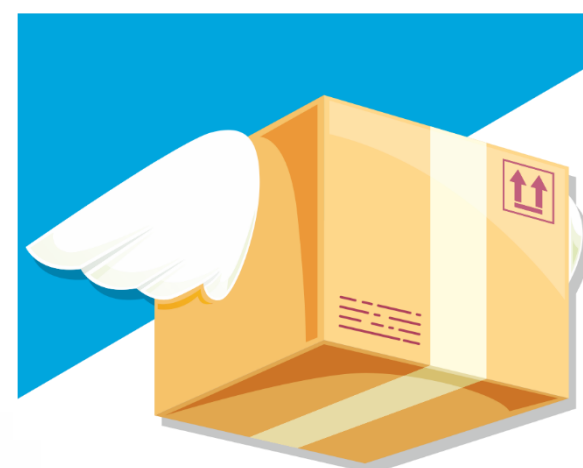
Initiated preparation of regulations to sell medical products through e-Commerce



No licensing for delivery services serving e-Commerce



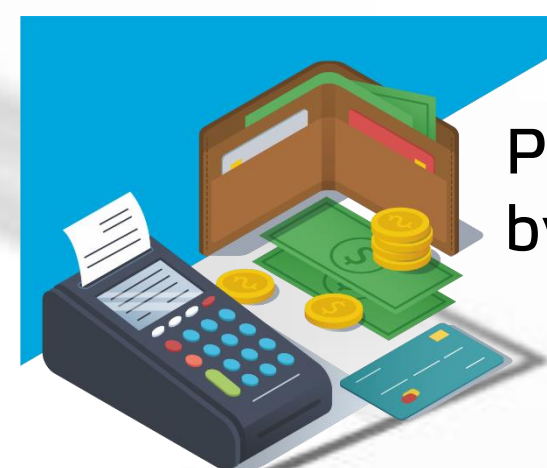
Receiving payment for the third parties



Exports through e-Commerce doesn't need Customs declaration



Virtual terminals equals to POS terminals



Payments by cash

Corporate banking cards can be used for e-Commerce payments



Electronic bills = Paper bills



NO mandatory 15% prepayment in B2B e-Commerce

15%



## Online payment systems of banks in the Republic of Uzbekistan







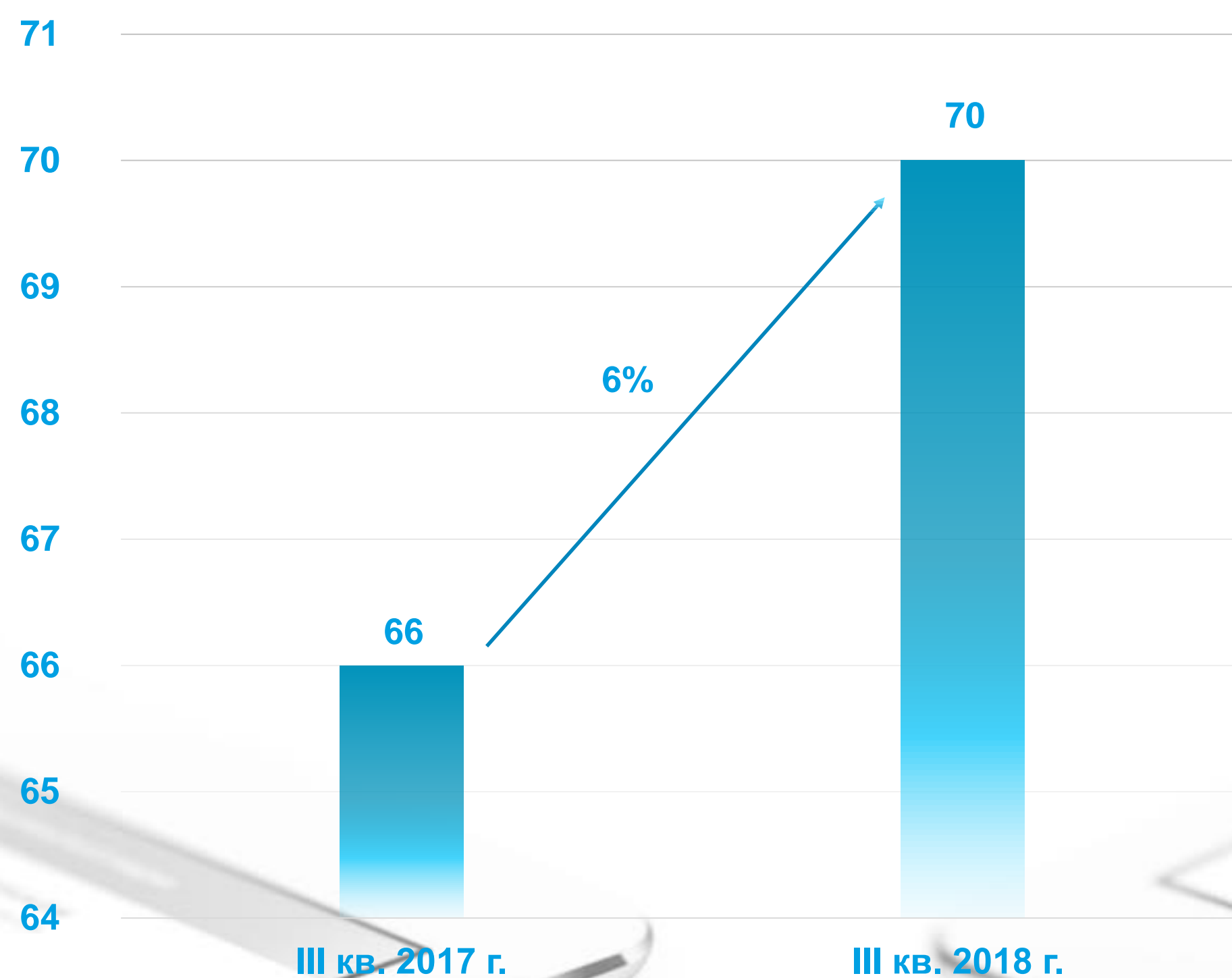
## Payment systems and apps



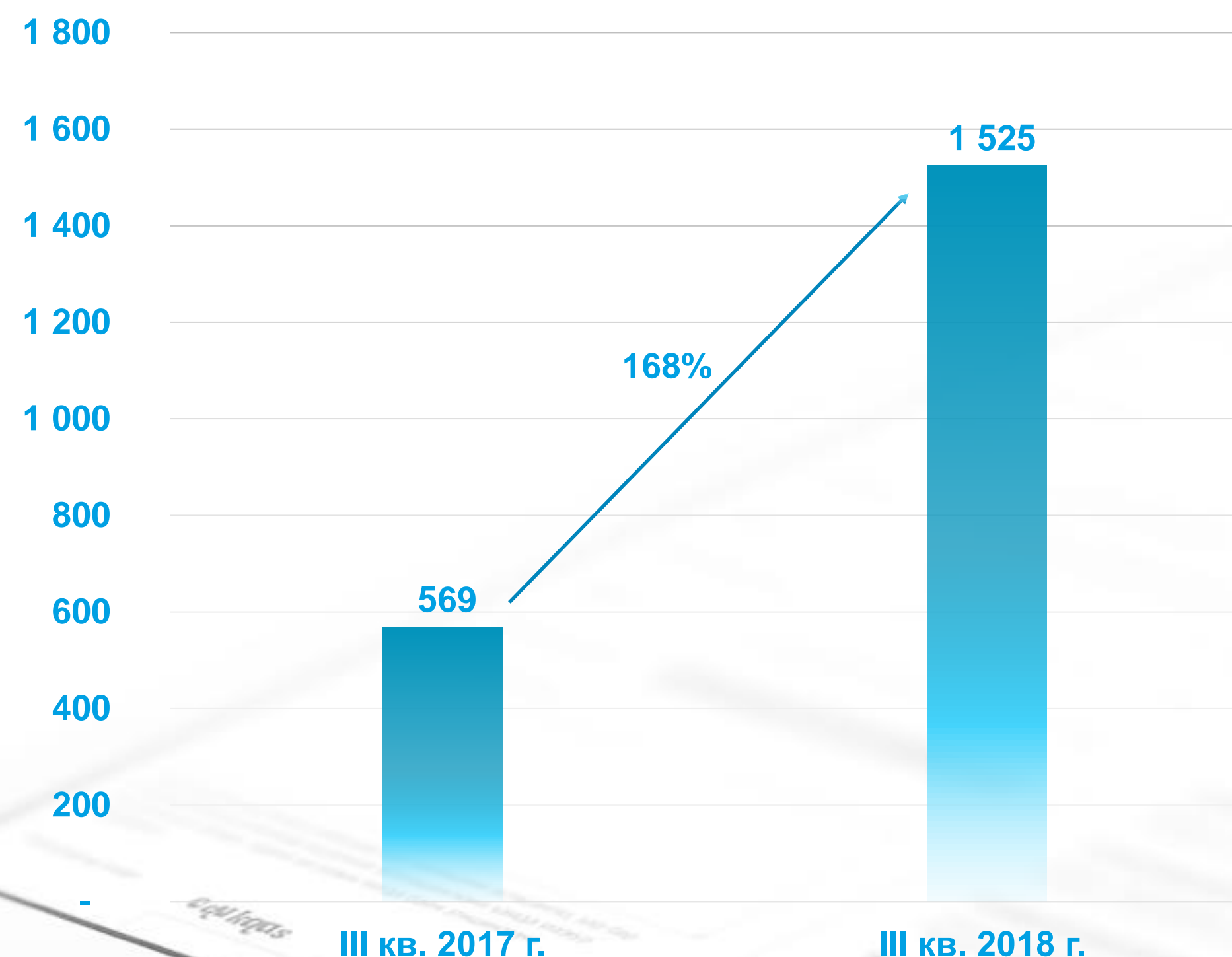


## Online Payments

**AMOUNT OF ONLINE TRANSACTIONS  
MADE BY USING BANKING CARDS  
(MLN.)**



**VALUE OF ONLINE TRANSACTIONS  
MADE BY USING BANKING CARDS  
(BLN. SUM)**



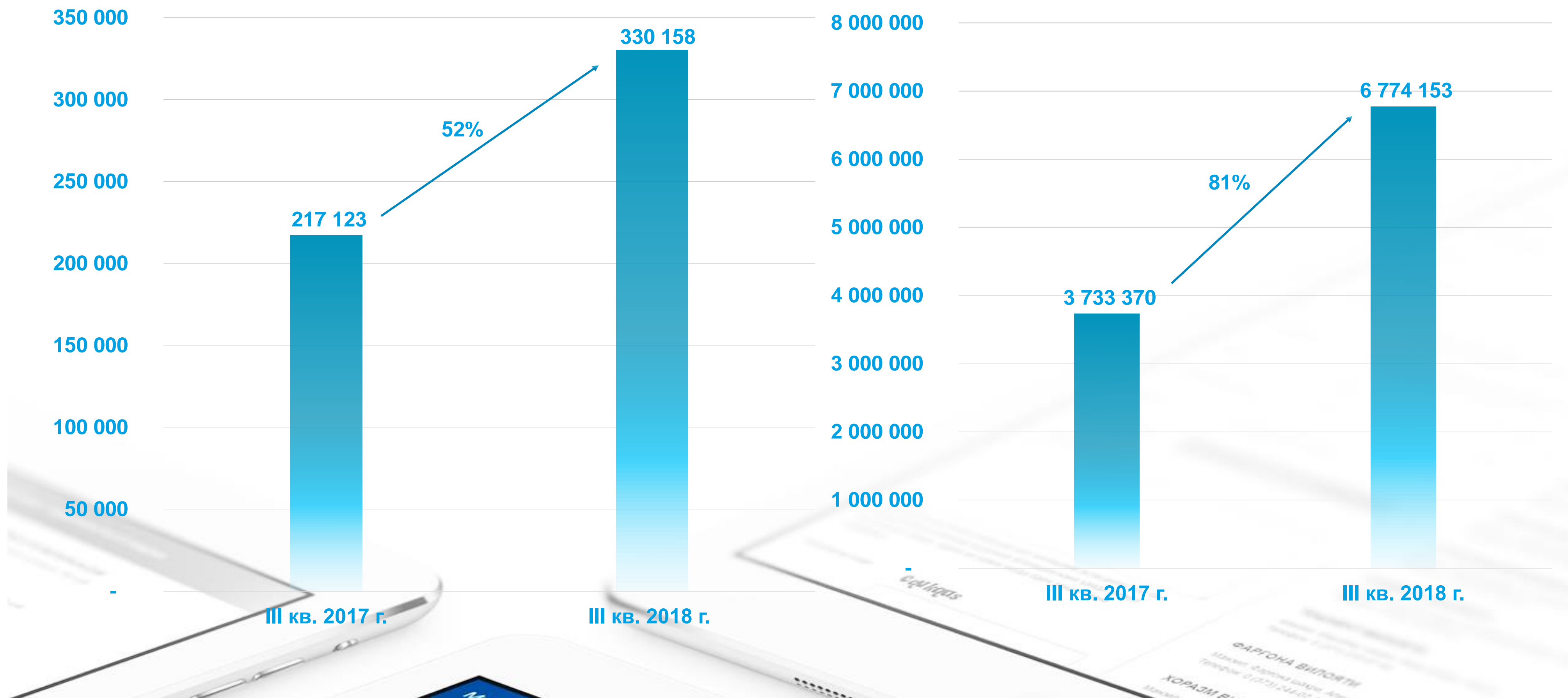




## Online banking

### ENTERPRISE ENTITIES USING ONLINE BANKING

### CUSTOMERS USING ONLINE BANKING

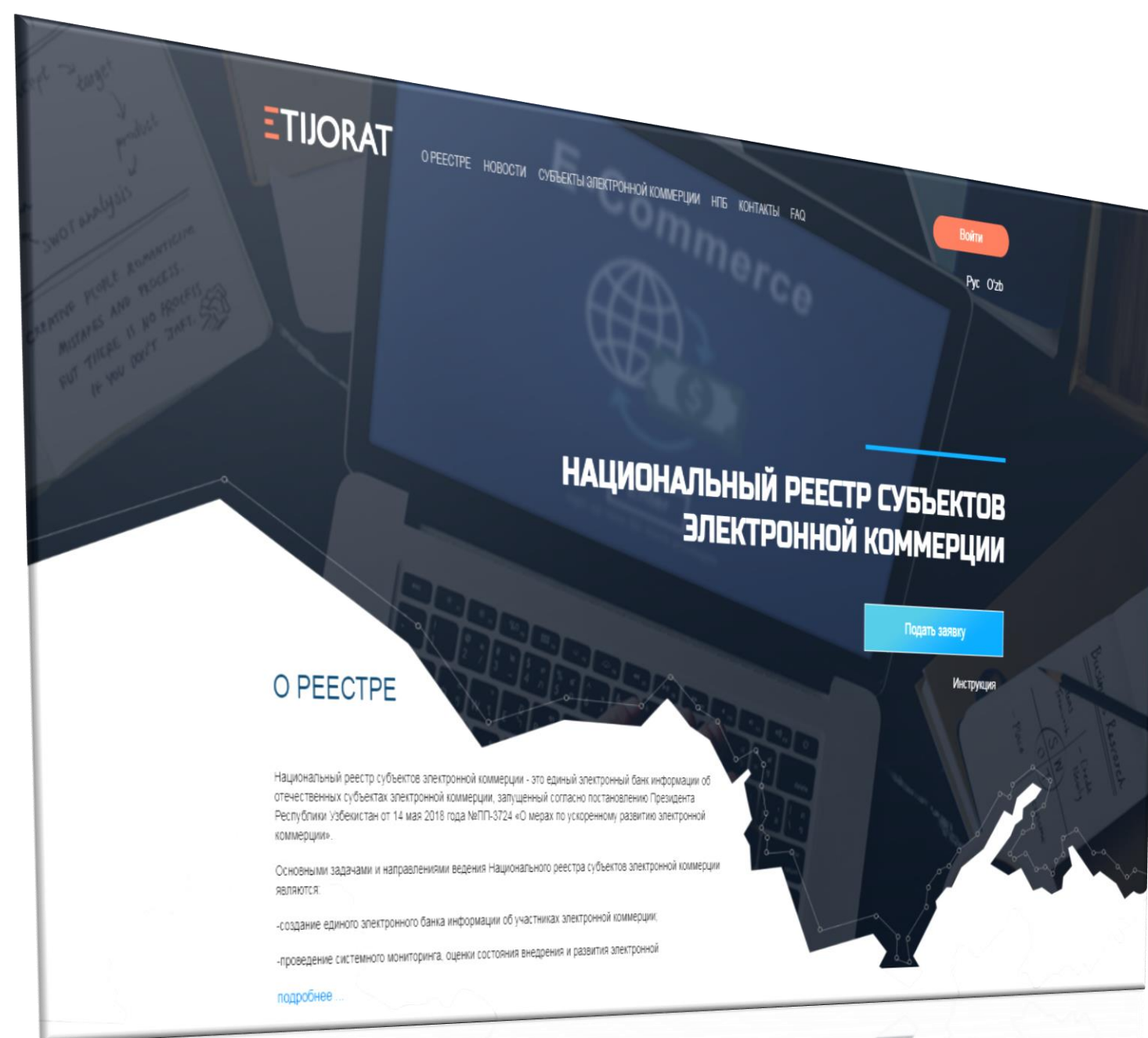




## National register of e-Commerce entities

Main tasks and directions of the register:

- creation of a single electronic Bank of information on e-Commerce participants;
- system monitoring, assessment of the state of implementation and development of e-Commerce, including the study of the effectiveness of the introduction of information systems and resources;
- carrying out targeted analysis and preparation of proposals to improve the current legislation for the effective development of e-Commerce.



**TIJORAT**

«E-government system development center» under the Ministry of ICT carries out functions on formation, maintaining and further development of the National register.





## Benefits of inclusion to the National register for e-Commerce entities

e-Commerce entities whose income from the sale of goods (services) through e-Commerce is not less than 80% of the total volume of goods (services) sold by them could be included in the national register.

Members of National register of e-Commerce entities will pay a single tax payment at the rate of 2% of their income.

*Inclusion in the national register is voluntary and free of charge*  
*([www.e-tijorat.uz](http://www.e-tijorat.uz)).*





## Plans to develop e-Commerce in the coming years

- Amendments to the laws "On e-Commerce" and " On electronic document management»;
- Development and introduction of amendments to the legal framework concerning:
  - responsibility for violation of the established rules of e-Commerce;
  - special arbitration for disputes between e-Commerce participants;
  - guidelines to hold Internet auctions for e-Commerce participants;
- Creation of logistics infrastructure using PPP Model;
- Establishment of a logistics fulfillment center in Uzbekistan with the involvement of large multinational logistics companies;
- Attraction of large foreign trading platforms (eBay, Amazon, etc.) to Uzbekistan market.