A754-Economic Report 2024/25

UZBEKISTAN

July 2025

Executive Summary

Uzbekistan – a country of 38 million inhabitants and growing – has embarked on ambitious market reforms since 2017, leading to higher investments, economic growth and steady poverty reduction. The share of the private sector, in an economy historically characterized by state owned enterprises being bound by a centralized plan, has started to grow. Considerable progress has also been achieved on the green agenda, including a remarkable expansion of renewable power production. The country has been reporting average post-pandemic GDP-growth of 6-7%.

Despite progress, the country's declared aim to reach upper middle-income level by 2030 remains ambitious. Challenges for business include legal uncertainty, lack of skills, high cost of finance and continued significant administrative constraints. Strong interweaving between political power and the economy, limited transparency and accountability, as well as limited government capacity hinder the ability to deliver on more complex reforms – despite a prevailing will for legislative overhaul, also in view of the country's declared goal to become a member of the World Trade Organization (WTO) in 2026.

Amongst others, Uzbekistan has embarked on a privatization process of its state-owned enterprises. While much needed, the process brings about risks of increased inequalities. Accompanying measures, including the fight against corruption, investment in human capital, implementation of higher labor standards (and tackling informality), and investments in social protection need to become a priority. For foreign investors and businesses, human rights assessments are important to limit any potential reputational risks.

Internationally, Uzbekistan remains dependent from its two major trading partners China and Russia (together accounting for around 40% of Uzbek foreign trade). This is despite Uzbekistan's will to diversify trading partnerships and integrate in global trade.

The current global context brings its own uncertainties. Trading with Europe has become more expensive since the Russian aggression against Ukraine, as transportation routes have shifted towards the Caspian Sea where the ports' occupancy rates constitute a bottleneck. The Trans-Afghan Railway – which would connect Central Asia with ports in Pakistan – is again high on the agenda. So is the potential circumvention of sanctions through Central Asia, further increasing businesses' administrative costs, including for due diligence.

Embassy of Switzerland in Uzbekistan
Shota Rustaveli, Impass 1, House 4, 100070 Tashkent
+998 78 120 54 54 tashkent@eda.admin.ch
https://www.eda.admin.ch/tashkent

While current insecurities about US trade policies may have a limited direct impact on the Uzbek economy – the USA make up around 1 % of Uzbekistan's foreign trade –, secondary effects such as weaker external demand due to global oversupplies and an increased commodity price volatility could have deeper impacts.

Despite challenges, Uzbekistan has the potential to position itself as an interesting market for Swiss companies and investors. Through its promotion instruments, the Government of Switzerland supports Swiss businesses interested in the Uzbek market. The Embassy, together with Switzerland Global Enterprise (S-GE), organizes the annual "Swiss Days in Uzbekistan", a platform for Swiss economic actors to present themselves to key stakeholders. The next edition is foreseen for November/December 2025.

The Embassy of Switzerland in Uzbekistan is at the disposal of interested companies for further information or any contact recommendations. Business opportunities for Swiss enterprises are also published on the "GoGlobal Cockpit", a platform provided by S-GE.

For further reading, the sources indicated in the text (a.o. WB Macro Poverty Outlook / April 2025; OECD Reports on Uzbekistan; IMF 2025 Article IV Consultation – Press Release and Staff Report; and regular updates by the Foreign Investors Council under the President of the Republic of Uzbekistan) can be recommended.

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1 ECONOMIC OUTLOOK AND ECONOMIC POLICY DEVELOPMENTS

Since 2017, Uzbekistan – a country of 38 million inhabitants, and growing – has opened its economy with ambitious market reforms. Throughout the past years, current and capital accounts were liberalized, trade restrictions started to be gradually removed, and relationships with neighboring countries have substantially improved. The reforms have led to a positive spiral of higher investment, economic growth and steady poverty reduction.[1] The share of the private sector in the economy has increased, and considerable progress has been achieved on the green agenda, including a remarkable expansion of renewable power production.

This upwards dynamic has continued in the past year. Real GDP growth stood at 6.5% in 2024 and remained high at 6.8% year-on-year in the first quarter of 2025.[2] GDP growth is projected to remain robust at around 6% in 2025, supported by sustained strength in private consumption, investment, and continued structural reforms. Thanks to a tight monetary policy, inflation has gradually decreased over the past years but remains relatively high (from 20% in 2018 to around 10% by April 2025). It remains to be seen if the Central Bank's goal of 5% inflation by end-2027 can be achieved, especially as the country will have to tackle further tariff liberations for key resources such as water and energy – with water prices most probably rising continuously, given its scarcity in the region and the phasing-out of subsidies.

In the past years, Uzbekistan's business and investment climate has seen notable regulatory improvements, including the 2023 Competition Law which includes anti-monopoly measures (e.g. by making exclusive rights transparent – and by abolishing a few of them), the Presidential decree "On Measures to Develop Competition in the Economy and Further Enhance the Role of the Private Sector" (2025), the new Labour Code (2023), and the Law on Conflict of Interests (2024). Further needed legislative measures are currently under parliamentary consideration, including a new draft law on the protection of Intellectual Property Rights. Many, if not most, of these steps have been taken to advance Uzbekistan's accession to the World Trade Organization (WTO), a process which was re-started in 2020 and which the country is hopeful to finalize in 2026. According to World Bank models (June 2025), an accession to the WTO has the potential to lead to a 10-17% increase to Uzbekistan's GDP in the midterm perspective. Apart from attracting foreign investors, a WTO accession should also help Uzbekistan boost its exports which, at 24% contribution to GDP, currently stand significantly below the global average. To use this potential, local businesses will have to adapt to the demands of the world market, which will need a further diversification of the Uzbek economy.

Despite progress, the country's declared aim to reach an upper middle-income level by 2030 remains ambitious. Continuously strong interweaving between political power and the economy, legal inconsistencies, questions around the independence of the judiciary, limited transparency and accountability, continued influence of informal networks leading to corruption vulnerabilities, as well as limited government capacity and high bureaucracy hinder the ability to deliver on more complex reforms. The country also faces rising climate change risks, including increasing water scarcity and environmental pollution, coupled with continued low energy, water and overall resource efficiency. Needed reforms such as the further liberalization of energy and water tariffs (and thus the phasing-out of subsidies) will lead to challenging transition phases, especially for lower-income households.

Beyond the legal framework, challenges exist for the further development of the private sector, specifically for small and medium enterprises (SME), such as regulatory instability and legal ambiguity (incl. frequent and unpredictable changes in laws and regulations; inconsistent legal interpretation by authorities; poor contract and IP protection enforcement; lack of transparency or public consultation in policy-making), continued significant administrative constraints (despite impressive efforts towards digitalization), prevalence of informal practices and

[1] Poverty rates dropped from 29% in 2017 to around 9% in 2024, according to data in the IMF Country Report.

[2] IMF 2025 Article IV Consultation – Press Release and Staff Report

corruption undermining fair business operations, financial constraints (incl. regarding access to foreign currency; exchange rate volatility; inflationary pressures; high local borrowing rates; general poor payment discipline including delayed payments by state entities) leading to liquidity challenges and hindering financial planning and project implementation, as well as lack of skills (shortage of qualified personnel and of reliable business support services).

Furthermore, the economy continues to be dominated by large state-owned companies (SOEs), holding monopoly power in major sectors, benefitting from favorable loans and tax benefits and thereby undermining private sector growth. Amongst others, the state remains the dominant player in the financial sector, accounting for about 65% of banking assets.

Since 2021 the government has been aiming at privatizing – or partially sell – at least 620 of the country's still more than 2500 state-owned enterprises (SOE). While *de jure* (decrees indicating a planned transaction) around 1700 SOEs have since been subject of this privatization process, *de facto* only 130 cases have been confirmed (including three banks)[3] – highlighting the challenges around SOEs competitiveness and investors' trust. For example, aggregate financial information and granular data on SOE performance, including the measurement of revenues, tax and dividend contributions, are often not publicly available which might be deterring for potential investors.

Experiences from other countries' privatization processes show the potential risks of increased inequalities and state capture by vested interests. In its current state, the Uzbek economy is prone to these risks. Accompanying measures, including a more transparent legal framework, equal treatment of all investors, fighting corruption, increased independence of the judiciary, but also investments in human capital, higher labor standards and social protection are necessary. While the tax system has undergone major reforms that helped stifle economic growth, tax revenues compared to GDP have been continuously declining since 2021, rendering specifically the much-needed investments in social safety-nets difficult. However, the consolidated government fiscal deficit declined by 1.7 percentage points of GDP to 3.2% in 2024[4] which means that the Government might have more leeway.

In this regard, the formalization of labor must increasingly become a priority. While the official unemployment rate stands at around 5.5%, the ILO estimates that around 40% of the workforce is employed informally. The country's continued demographic growth (which brings around 1 million youth per year on the labor market) and the foreseeably tightened competition after a WTO accession will increase the importance of social protection. It also means that labor migration will continue to play a major role for the country in the years to come: Around 10% of Uzbekistan's entire population is currently working abroad, making remittances a key contribution to economy.

Internationally, Uzbekistan remains dependent from its two major trading partners China and Russia (together accounting for almost 40% of Uzbek foreign trade). Not least under the uncertainties of longer-term effects of the war in Ukraine, Uzbekistan pursues its policy of diversification (keyword: "multivectoral foreign policy"). Yet, challenges lay in connecting the country to the global markets both policy-wise and regarding transportation routes.

Especially trading with Europe has become more expensive since the Russian aggression against Ukraine, as transportation routes have shifted towards the Caspian Sea where the ports' occupancy rates constitute a bottleneck. The Trans-Afghan Railway – which would connect Central Asia with ports in Pakistan – is high on the agenda. So is the potential circumvention of sanctions through Central Asia, further increasing businesses' administrative costs, including for due diligence. While uncertainties around US trade policies may have a limited direct impact on the Uzbek economy – the USA make up for around 1% of

[3] According to World Bank Group's Lead Country Economist for Central Asia

[4] IMF Country Report

Uzbekistan's foreign trade –, secondary effects such as weaker external demand due to global oversupplies and an increased commodity price volatility could have deeper impacts.

2 PRIORITY SECTORS AND OPPORTUNITIES FOR SWISS COMPANIES

The structures of Uzbekistan's economy are still characterized by a strong agricultural sector (according to official numbers 18% of GDP[5]) which includes raw material extraction including minerals (gold, uranium) and natural gas. While especially important as national income, approximately constituting around 15% of government budget[6], it has a low level of job creation and limited value creation for local communities.

In addition, in March of 2022, after important improvements (supported by the ILO and by international partners including Switzerland) to eradicate forced labor on cotton fields, 331 international brands and retailers lifted their boycott of Uzbek cotton. Uzbekistan now has the potential to become a key sourcing country for cotton (as well as silk) textiles: authorities aim at a vertical integration of the value chain in "clusters".

Over the years, authorities have hence been adamant to restructure the economy. The removal of trade, investment, regulatory, and labor market constraints has specifically led to strengthening of the labour-intensive manufacturing/industry sector (above all: car manufacturing; food processing/beverages and the textile industry). Industry has seen more than a doubling in GDP contribution within the last fifteen years (10% to 25%).[7]

Historically, the service sector in Uzbekistan, including transportation, financial services, health care, education, activities related to tourism, has been neglected; but according to the National Statistics Committee, recent years have manifested growth (2024: 45.2%)[8]. In aiming at an upper-middle-income status, the further development of a service-driven industry is a key.

As a central part of the reforms, since 2021 the government has been aiming at privatizing – or partially sell – at least 620 of the country's still more than 2500 state-owned enterprises (SOE), see chapter 1 above. The industries and sectors which are to be affected by this process importantly include: financial institutions (banks and insurances), energy supply operators (electricity, natural gas), mobile operators, fertilizer plants, digitalization of public services, geological research work, transport (low-cost airlines, toll-roads, train operators), health, education, water management and other utility services as well as the construction sector; offering opportunities for potential investors. However, this process has been slower than originally planned, highlighting the challenges around SOEs competitiveness and investors' trust.[9] In the coming years, the authorities will have to pay further attention to the SOE preparation to avoid privatization delays and to ensure adequate asset value.

The divestments, but also the SOE preparation process offer potential opportunities for Swiss investors and businesses. One example is the banking sector, where Swiss fintech solutions could help strengthen competitiveness of currently state-owned banks and thereby increase investors' interest.

Beyond the divesting process, the tension between economic and demographic development on one hand, and ecological sustainability on the other, needs to be addressed. Given Uzbekistan's vulnerability to environmental hazards (water scarcity, increase of extreme

[5] National Statistics Committee: National Summary Data Page (NSDP)

[6] World Bank: 2nd Systemic Country Diagnostics

[7] National Statistics Committee: National Summary Data Page (NSDP)

[8] National Statistics Committee: National Summary Data Page (NSDP)

[9] For example, aggregate financial information and granular data on SOE performance, including the measurement of revenues, tax and dividend contributions, are not publicly available which might be deterring for potential investors.

weather conditions incl. heat waves, desertification, worsening air quality) combined with its demographic growth, the government has increased its focus on a green economic transition.

The renewable energy sector offers specific growth potential. Demand for electricity is expected to grow at approximately 4% annually through 2030. The diversification of Uzbekistan's electricity generation is limited: Natural gas–based generation still accounts for more than 80% of the total installed capacity, followed by hydropower (above 10%), and coal (5%) and solar (around 3%). The 2019–30 Strategy on Transition to a Green Economy includes commitments to bring the share of renewables in power generation up to 25% by 2030. The country's geography is conducive for solar and wind power and several international companies amongst others from UAE, Saudi Arabia, Turkey, China and France have started investing in that sector. Apart from renewable sources, Uzbekistan has undertaken steps to concretize its plans for nuclear power generation, by intensifying cooperation with actors such as Rosatom (Russia) and Assystem (France). It has also received technical assistance from the International Atomic Energy Agency. Uzbekistan's goal is to, by 2030, cover 15% of its energy consumption through nuclear generation. However, there have been regular postponements, amongst others related to feasibility concerns, especially regarding safety. International cooperation in the field of nuclear power generation is also a politically debated topic.

Transportation infrastructure is another priority. With average shipment costs at about 1.75 USD per kilometer, Uzbekistan has the highest transportation costs in the Central Asia region. The decrease of transport costs is at the heart of many negotiations and projects (e.g. in the framework of the Belt and Road Initiative), leading to increased investment. The war in Ukraine and the by-passing of the Russian territory by many providers has further complicated logistics and rendered the development of alternative routes (e.g. southwards through Afghanistan: Trans-Afghan Railway, trilateral agreement for feasibility study signed in July 2025) more important.

Given the demographic growth combined with high urbanization rates, investments in urban infrastructure are needed, and being made – both by public and private actors. The construction sector is booming in Tashkent and in many of the regional capitals. Investments in the at times dilapidated infrastructure (water & sanitation; energy generation, grid & efficiency) is being supported by extensive loans from International Financial Institutions (IFIs) and offer opportunities for innovative solutions (leapfrogging) to tackle major challenges inherited from decades of under-investment. The government has started to strengthen and upgrade public transportation systems, amongst others through purchases of electric buses and trains. In summer 2023, the Tashkent city council has furthermore announced to limit cars running on gasoline and to invest in a broad network of charging stations for e-vehicles. Yet, the construction sector is specifically prone to corruption and the extensive real estate development brings with it specific risks of human rights abuses such as forced evictions – which could pose potential reputational risks for foreign businesses and investors that need to be assessed on a case by case basis.

Innovative technologies are specifically needed in the water sector, specifically in the agricultural context. 90% of water usage is attributable to the agricultural sector and irrigation systems stem largely from Soviet times. To cope with the increasing regional water scarcity, investments in innovative water saving technologies and adaptation in agricultural practices are needed.

Similarly, Uzbekistan's public health sector has been neglected for a long time, with private medical institutions predominantly filling the gap after 2017. IFI loans are used to upgrade the health sector, to increasingly offer specialized services and laboratory facilities, while authorities are aiming at upgrading its medical protocols to align with international standards. Given the state's financial constraints, state-of-the-art healthcare solutions that include innovative financing models are especially interesting for the country.

Uzbekistan sees the IT sector as one of its strategic sectors. State-support, eased registration and one-stop-shops such as the IT Park should attract foreign investments and help building on the largely available (young) human capital. Private training institutes supported by leading IT companies have indeed led to the country's increased competitiveness for outsourced IT services. Continued focus on IP rights protection and on data security (both legal and technical) will be important on the way forward.

Another potential is offered by the growing tourism sector, in which Switzerland benefits from a traditionally strong branding, not least due to the Swiss Development Cooperation's Vocational Education and Training Programme in the tourism industry. By 2026, the government foresees to triple tourism services and create an additional 3.5 million jobs. In 2019, further visa exemptions for citizens from the EU and additional 20 countries (incl. Switzerland) came into effect; since June 2025, tourists from China can also travel visa-free, potentially further boosting tourism. Given the country's ecological vulnerability, environmentally-friendly, sustainable tourism is a niche that needs to be further developed.

Last but not least, Uzbekistan's economic growth in Uzbekistan has led to a widened middle class (mostly in the urban centers) with increased financial possibilities and an international outlook. A wider variety of international consumer goods are distributed through a growing chain of supermarkets. The interest in tourism abroad (including health tourism), but also international education (abroad) is equally growing. The liberalization of the higher education sector has also led to increased foreign investment in private universities within Uzbekistan.

3 FOREIGN ECONOMIC POLICY

3.1 Uzbekistan's policy and priorities

Internationally, Uzbekistan remains dependent from its two major trading partners China and Russia (together accounting for almost 40% of Uzbek foreign trade). China overtook Russia as Uzbekistan's main trading partner in 2022 and has solidified this position.

Uzbekistan pursues its policy of diversification (keyword: "multivectoral foreign policy"), has intensified and improved relations with neighboring countries as well as from other regions, including the East Asia, the European Union (EU), Turkey, United Arab Emirates and Saudi Arabia. Since 2021, Uzbekistan is benefitting from preferential access to the EU market through the GSP+ agreement.

The normalization of relations with neighboring countries is a major achievement also for the economic outlook of Uzbekistan. On one hand, stronger regional integration has led to a remarkable growth in exports to the region. On the other hand, as a double landlocked country, Uzbekistan relies on its regional relations for a stronger integration in global trade routes and for water resources stemming from transboundary rivers. The construction of dams in neighboring countries such as Kyrgyzstan and Tajikistan are interesting also in view of Uzbekistan's energy consumption. Shared electricity grids (originally from Soviet-time era) increase the dependencies.

Uzbekistan faces inherent connectivity challenges, requiring transit through at least two neighboring states to access seaports. This geographical constraint significantly increases transportation costs, prolongs delivery times, and exposes trade flows to external political and logistical risks. In response, the country has prioritized diversifying and improving its trade corridors to reduce dependencies on any single route. Key initiatives include the development of the Trans-Caspian International Transport Route, upgrades to rail and road infrastructure, specifically regarding its connection to China (keyword: Belt and Road Initiative), the proactive advancing of a Trans-Afghan Railway (connecting central Asia to ports in Pakistan), and other strengthened logistics cooperation with countries such as Kazakhstan, China, Iran, Türkiye, and Azerbaijan, including simplification and standardization of customs procedures.

Policy-wise, Uzbekistan's key priority is to become a member of the World Trade Organization which the country is hopeful to finalize in 2026. Several reforms outlined in this report are aimed at advancing the process. By the time of writing, Uzbekistan has concluded more than two third of its bilateral negotiations (including with Switzerland), but it is unclear if accession will have to be postponed, with potential challenges also arising from the changing global context and trade policies of countries like the USA. According to World Bank models (June 2025), an accession to the WTO has the potential to lead to a 10-17% increase to Uzbekistan's GDP in the midterm perspective.

International Financial Institutions play a strategically important role for Uzbekistan, as their financing backs the much needed and broad infrastructure investments. According to the Central Bank of Uzbekistan, 57% of the country's external debts come from IFIs, an equivalent of 36.5 billion USD (with the World Bank and the Asian Development Bank being the largest creditors).[10]Apart from financing, the country actively benefits from the technical expertise available through the institutions – which has been instrumental in advancing reforms and paving the path towards WTO membership.

Furthermore, to accompany its investments in green technologies, Uzbekistan is aiming at stronger integration into the international carbon trading market. In 2024, a new law on "Limiting Greenhouse Gas Emissions" was introduced. With support from actors like the World Bank, a monitoring, reporting and verification system is set up, to comply with Article 6 of the Paris Agreement.

3.2 Outlook for Switzerland (potential for discrimination or comparative advantage)

Uzbekistan with its continuous economic growth and its growing population of currently 38 million offers an interesting market not only for B2C products. The government is keen to attract foreign direct investment and is gradually opening up various sectors in which Swiss actors have proven expertise. To attract more foreign investment and support technology transfer, Uzbekistan has so far established 28 special economic zones which could be of interest for Swiss actors looking at establishing a presence in Uzbekistan.

The high levels of urbanization and the government's declared will to modernize its infrastructure (transportation, energy, water, etc.) while prioritizing a green transition offer further opportunities. The focus on developing human capital, amongst others through improved health services, opens windows for the extensive Swiss expertise in the pharmaceutical sector and beyond.

Generally, Switzerland enjoys a very good reputation in Uzbekistan. It is renowned for high-quality and reliable precision products and for first-class engineering. These are comparative advantages as Uzbekistan is aiming at developing its own industrial sector that must differentiate itself against low-cost competitors in the region. This will be even more the case after a potential accession to WTO.

To address this quality aspect, the Uzbek authorities have increasingly recognized the benefits of Technical and Vocational Education and Training (TVET), amongst others supported by the Swiss Agency for Development and Cooperation (SDC). Swiss companies with their long-lasting hands-on experience in TVET can bring real benefit to developing the human capital in Uzbekistan and should consider actively approaching this thematic in case of interest in doing business in Uzbekistan.

On the other hand, given the broad public spending currently needed in Uzbekistan's development, there is a tendency that public tenders favor a short-term approach to costs.

[10] There has been a strong increase since 2016. The IMF's Debt Sustainability Analysis (annex to the IMF Country Report) estimates that Uzbekistan's risk of debt distress as low. It expects a reduction of 3.5% of external debts compared to GDP by 2030.

Informality and the close relations between the economic and the political area continue to be prevalent aspects of doing business in Uzbekistan. This means that product quality, long-term reliability and service guarantees (often constituting parts of offers from Swiss companies) might not receive the necessary attention. It often makes early outreach to government institutions a necessity, in order to raise product and service awareness. The GoGlobal Cockpit can help with early identification of opportunities.

4 FOREIGN TRADE

4.1 Developments and general outlook

4.1.1 Trade in goods

According to the National Statistics Committee, Uzbekistan's foreign trade (both goods and services) has grown by around 4% in 2024. Exports saw an increase of 8.4% compared to 2023, while imports remained at similar levels (+ 0.8%).

Uzbekistan's foreign trade in goods alone reached nearly 55 billion USD – around 20 billion of exports (primarily: gold, industrial products; agricultural products such as fruits and livestock; textiles; chemicals) and 35 billion of imports (primarily machinery and transport equipment; industrial products; chemicals).

While no goods/services break-down is available for bilateral trade relations, China remains the largest trading partner (approximately 19% of total turnover), followed by Russia (17.5%) and Kazakhstan (around 6–7%). Other significant partners include Türkiye (about 4–5%), Republic of Korea (~3%), Afghanistan, India, and European Union countries, with the EU–Uzbekistan trade totaling around US $6.4 billion (around 11.5%) in 2024. These top seven partners together accounted for roughly 47% of overall trade turnover.

4.1.2 Trade in services

According to the National Statistics Committee[11], in 2024, Uzbekistan's foreign trade in services reached around 11 billion USD – around 7.2 billion in exports (roughly 26% of export value) and 3.75 billion in imports (9.6% of all imports). Generally, trade in services has seen a strong growth during the past years (more than 20% increase from 2023 to 2024 alone), which reflects the structural changes of the Uzbek economy.

Travel and tourism made the largest contribution to services exports—accounting for nearly 49%, followed by transport services at about 36%, telecom, computer and information services (8-9%), and other business services around 4%, which include insurance, financial, and construction services.

On the import side, tourism again dominated with roughly 51%, followed by transport services (about 19-20%), telecom and IT services (9%), and other business services (roughly 7-13%, including IP use fees, technical repair, and construction.

Key partners for trade in services mirror those in goods: China, Russia, Kazakhstan, Republic of Korea, Türkiye, Germany, and India remain major sources of imported services, reflecting close economic ties, tourism flows, and supply of technical, telecom, and business services. On the export side, dominant suppliers include Russian-speaking neighbouring countries and regional tourism markets.

[11] Foreign Trade Turnover Report for January – December 2024 by the National Statistics Committee under the President of Uzbekistan

4.2 Bilateral trade

4.2.1 Trade in goods

Bilateral trade statistics vary depending on the source. With respect to data from the Federal Office for Customs and Border Security, in the past years, trade between Switzerland and Uzbekistan has been fluctuating around 100 million USD per year. Switzerland primarily exports pharmaceuticals, industrial machinery, clocks and watches as well as vehicle parts. The overwhelming majority of imports from Uzbekistan to Switzerland is made up of precious metals (gold), constituting 99.9%. If one were to include precious metals in the official bilateral trade statistics, Switzerland would be 3rd most important trading partner for Uzbekistan.

4.2.2 Trade in services

There is no quantitative data available. There are several Swiss companies in Uzbekistan operating logistics services. Some Swiss enterprises have offered franchising. Furthermore, some Swiss companies have started selling online services, including market platforms and online lending. Tourism furthermore plays an increasingly important role with upward trends of visitors from Uzbekistan to Switzerland – and the other way around.

5 DIRECT INVESTMENTS

5.1 Developments and general outlook

According to the Central Bank of Uzbekistan, during 2024, net inflows of foreign direct investment into the country increased by 32% compared to 2023, amounting USD 2.8 billion.[12] In 2024 net FDI inflows were about 2.5 percentage points of GDP. Over the past three years, annual increase of FDI inflows stood between 2-3%, from 2023 to 2024 it was 2.4%. Unverifiable data suggests that top investing countries are China, Russia, Türkiye, Germany, KSA, Netherlands, UAE and the UK.

While most FDI remains focused on energy and oil and gas, the government is expanding into new sectors. As an example, in 2024, the Chinese car producer BYD partnered with UzAuto Motors to open a factory to produce electric vehicles. According to the UNCTAD 2024 World Investment Report, FDI stock in Uzbekistan amounted to almost 15 billion US dollar in 2023, around six times the value compared to 2010.[13]

To continue attracting FDI, to sustain its infrastructure investment and create job opportunities in the country, is one of the major priorities of the Uzbek government. To do so, the President and his administration are busy strengthening bilateral contacts with various visits around the world which include the signing of investment agreements. A key focus lies on the further developing of efficient PPP projects (PPPs have grown rapidly in recent years, amounting to a cumulative 27% of GDP at end-2024).[14] To increase its attractiveness for FDI, further structural reforms such as a strengthened independence of the judiciary (to effectively protect investments) and more transparency in the legal framework are key.

As such, despite progress in the past years, Uzbekistan's laws and regulations remain fragmented, which deters investors and increases the risk of corruption: Regulations consist of presidential decrees and resolutions, laws of Parliament, cabinet-level and ministerial resolutions, as well as ministerial orders. Though businesses may still be required to comply with them, many of these documents are not publicly available because of administrative delays

[12] Central Bank of Uzbekistan, 2024 Annual Report

[13] UNCTAD World Investment Report 2024

[14] IMF Country Report

or decisions to withhold publication. Often, there are underlying vested interests and combined with poor public oversight create additional reputation risks for companies.

Furthermore, the ability of some investors to obtain an investment-specific regulatory framework creates an unlevel playing field. Despite the abolition of some exclusive rights, state-owned enterprises specifically enjoy preferential access to land, infrastructure, credit and state support. In a transition period, PPPs are interesting models for foreign investors, as the public co-ownership can help counterbalance legal uncertainties.

5.2. Bilateral investment

Around 40 Swiss companies are active in Uzbekistan, including through distributors. So far, investment has remained low, as only few companies have opened own facilities in the country that go beyond administration and distribution. With the ongoing reforms and the government's divesting strategy, new opportunities may arise. The Government of Switzerland, through the Swiss Investment Fund for Emerging Markets (SIFEM) has currently invested a bit more than 10 million USD, primarily in the banking sector.[15]

6 ECONOMIC AND TOURISM PROMOTION

6.1 Swiss foreign economic promotion instruments

Switzerland supports Swiss companies in developing their international business through the federally mandated export promoter Switzerland Global Enterprise (S-GE) as well as through its representations abroad. S-GE's services are geared to small and medium-sized enterprises (SMEs). The S-GE's ExportHelp team is the first point of contact for administrative export-related issues of all kinds, but companies can also contact one of S-GE's country advisers directly. Business opportunities for Swiss enterprises are also published on the "GoGlobal Cockpit", a platform provided by S-GE.

Additionally, the Embassy of Switzerland in Tashkent offers a selection of services comprising information, advice, referral, support for events and delegations, and consular protection. It organizes regular meetings and networking opportunities within the circle of Swiss business representatives in Uzbekistan. Amongst the community, it runs annual business climate perception surveys to learn about the needs as well as perceived challenges and opportunities.

The Embassy, together with S-GE, organizes the annual "Swiss Days in Uzbekistan", a platform for Swiss economic actors to present themselves to key stakeholders. The next edition is foreseen for November/December 2025.

The Joint Chamber of Commerce of Switzerland also promotes private-sector business exchanges, as do other specialized Chambers of Commerce. The Embassy can share respective contacts.

6.2 Uzbekistan's interest in Switzerland

The good relations between Switzerland and Uzbekistan have a strong foundation in the cooperation in international financial institutions, amongst others within the shared World Bank constituency group. The Swiss Cooperation Programme of Central Asia 2022-2025 as well as the restitution of assets definitively forfeited as part of the criminal investigation in connection with Ms. Gulnara Karimova, which was initiated in 2012 by the Office of the Attorney General of Switzerland, are further cornerstones of bilateral engagement.

[15] https://sifem.ch/portfolio/

Furthermore, the Swiss private sector, through its renowned expertise and innovation force has the potential to effectively contribute to the objectives of Uzbekistan's development. The development of human capital being a key priority, study opportunities for students at Swiss universities have received increasing attention in the past years. Switzerland and Uzbekistan maintain a regular political dialogue and meetings of joint economic commissions that include private sector representatives.

Attracting FDI, including from Switzerland, plays an important role in Uzbekistan's strategy. The Director of the Investment Promotion Agency under the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan expressed his willingness to meet with and assist any interested potential investors and economic partners from Switzerland on related matters. The director of the Agency has asked for the contact information to be included in this report:

Investment Promotion Agency
Ministry of Investments and Foreign Trade of the Republic of Uzbekistan
34, Taras Shevchenko Street
100029 Tashkent
Uzbekistan
E-mail: director@invest.gov.uz, uzipa@invest.gov.uz
Phone: +998 71 202 02 10

Moreover, the Foreign Investors Council (created 2019) can be contacted through their Linkedin profile. The Europe-Uzbekistan Association for Economic Cooperation (EuroUz) is furthermore active in supporting potential investors in Uzbekistan.

ANNEX 1 – Economic structure

Economic structure of Uzbekistan

Distribution of GDP in %	**2021**	**2022**	**2023**	**2024**	**2025 Jan – Mar**
Agriculture, forestry and fishing	22.2	21.0	20.2	18.3	9.1
Industry	24.6	24.1	24.0	25.2	26.7
Services*	39.1	41.5	44.0	45.2	53.8
Construction	7.8	7.4	7.0	6.7	6.3

Distribution of employment in %				
By sector	**2021**	**2022**	**2023**	**2024**
Agriculture, forestry and fisheries	25.2	25.1	23.9	22.9
Industry (including Construction)	23.7	22.8	23.8	21.8
Services**	51.0	52.1	52.3	55.4
By type of ownership				
Public	18.7	18.5	18.3	18.2
Non-public	81.3	81.5	81.7	81.8

Source: National Summary Data Page (NSDP) – Uzbekistan: National Accounts (GDP) by the National Statistics Committee under the President of Uzbekistan: https://stat.uz/en/

**Services = Trade, accommodation and food services + Transportation and storage, information and communication + Other branches of services*

***Services = Trade + Transportation and storage + Education + Health and social services + Other activities*

ANNEX 2 – Main economic data

Uzbekistan's main economic data

	2022	***2023***	***2024***	***2025 proj.***
GDP (USD bn)*	90.10	102.64	114.97	*132.5*
GDP per capita (USD)**	2,555	2,849	3,113	*3,487*
Growth rate (% of GDP)**	6.0	6.3	6.5	*5.9*
Inflation rate (GDP deflator, in %)**	14.5	13.8	13.3	*12.5*
Gross investment (% of GDP)**	32.9	34.3	33.3	*35.7*
Population (in millions)**	35.3	36.0	36.9	*37.8*
Unemployment rate (% of total labor force)**	8.9	6.8	5.5	*5.0*
Adjusted fiscal balance (% of GDP)**	-3.7	-4.0	-2.3	*-2.0*
Current account balance (% of GDP)**	-3.2	-7.6	-5.0	*-5.0*
Imports of goods and services (% change)**	27.6	19.6	2.3	*10.6*
Total external debt (% of GDP)**	49.2	54.5	56.2	*55.4*
Total external debt service-to-exports ratio**	41.6	39.7	54.8	*42.3*
Reserves (months of imports)**	**10.1**	9.5	10.2	*9.8*

* Source: World Bank Open Data

** Source: IMF 2025 Article IV Consultation – Press Release and Staff Report

ANNEX 3 – Trade partners

Trade partners of Uzbekistan **Year: 2024**

Rank	Country	Exports *from Uzbekistan* (USD mln)	Share	Change [16]	Rank	Country	Imports *to Uzbekistan* (USD mln)	Share	Change
1	**Russia**	3 682,9	13.6%	105%	**1**	**China**	10 431,8	26.7%	92%
2	**China**	2 054,9	7.6%	83%	**2**	**Russia**	7 947,3	20%	119%
3	**Kazakhstan**	1 452,3	5.3%	103%	**3**	**Kazakhstan**	2 825,5	7.2%	92%
4	**Türkiye**	1 169,3	4.3%	93%	**4**	**Republic of Korea**	1 960,8	5.0%	85%
5	**Afghanistan**	1 089,3	4.0%	127%	**5**	**Türkiye**	1 768,2	4.5%	93%
6	**France**	795,1	2.9%	199%	**6**	**Germany**	1 116,5	2.9%	113%
7	**Tajikistan**	552,2	2.0%	91%	**7**	**Turkmenistan**	1 020,0	2.6%	110%
8	**Kyrgyzstan**	513,3	1.9%	81%	**8**	**India**	853,6	2.2%	132%
9	**USA**	317,4	1.1%	125%	**9**	**USA**	564,3	1.4%	110%
10	**Pakistan**	299,5	1.1%	111%	**10**	**Belarus**	550,8	1.4%	105%
n/a	**Switzerland**	**3,7**	**0.01%**	**15.3**	**n/a**	**Switzerland**	**114,6**	**0.3%**	**-22.6%**
	Total	**26'948**	**100%**	**+8.4%**		**Total**	**38'986**	**100%**	**+0.8%**

Sources:

Foreign Trade Turnover Report for January – December 2024 by the National Statistics Committee under the President of Uzbekistan

Federal Office for Customs and Border Security: https://www.gate.ezv.admin.ch/swissimpex

[16] Change from the previous year in %

ANNEX 4 – Bilateral trade

Bilateral trade between Switzerland and Uzbekistan

	Export (CHF million)	*Change (%)*	**Import** (CHF million)	*Change (%)*	**Balance** (in million)	**Volume** (in million)
2019	111,1	-3.2%	2,8	24.7%	108,3	113,8
2020	64,8	-41.7%	1,0	-62.5%	63,8	65,8
2021	84,6	30.5%	2,5	146.9%	82,0	87,1
2022	104,7	23.9%	1,3	-50.8%	103,5	106,0
2023	148,0	41.3%	3,2	16%	144,8	151,2
2024 *(Total 1)**	**114,6**	**-22.6%**	**3,7**	**15,3%**	**110,9**	**118,3**
2025 (I-VI)**	43,6	-14.2	4,2	149,9%	39,4	47,8

*) 'Economic' total (total 1): not including gold bars and other precious metals, currencies, previous stones and gems, works of art and antiques

**) Change (%) from the previous year

Exports	**2023** (% of total)	**2024** (% of total)
1. Pharmaceutical Products	43.8	39.4
2. Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	16.1	19.4
3. Clocks and Watches; parts thereof	4.1	7.9
4. Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	0.7	6.0

Imports	**2023** (% of total)	**2024** (% of total)
1. Precious metals (including gold, coins, precious stones, gems), Works of arts[17]	99.96	99.93
2. Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	0.03	0.02
3. Articles of apparel and clothing accessories, not knitted or crocheted	0.001	0.02
4. Articles of apparel and clothing accessories, knitted or crocheted	0.001	0.006

Source: Federal Office for Customs and Border Security: https://www.gate.ezv.admin.ch/swissimpex

[17] The total of precious metals including gold, coins, precious stones and gems as well as works of art and antiques imports from Uzbekistan to Switzerland amounted to around 5,4 Bio. CHF in 2024. The exports of these goods from Switzerland to Uzbekistan during the same period amounted to around 1,8 Mio. CHF. These numbers are not reflected in the overview table on the top of this page, nor in Annex 3.

ANNEX 5 – Main investing countries

Main investing countries in Uzbekistan

Data not available