

**Decree of the President of the Republic of Uzbekistan
On Additional Measures for the Accelerated Development of Fruit and Vegetable
Production in the Republic of Uzbekistan**

Comprehensive measures are being implemented in the Republic to expand the production, storage, processing, and export of fruit and vegetable products.

To implement projects for the intensive development of fruit and vegetable production, sown areas have been significantly expanded, capacities for storage and processing of fruit and vegetable products have been created, and financial resources, including funds from international financial institutions, are being actively attracted.

However, the high level of competition in foreign fruit and vegetable markets requires the accelerated introduction of modern agricultural techniques and management of production and delivery processes.

Nevertheless, several negative factors hinder the effective use of potential and the development of the agro-industrial sector of the country, including:

1. Insufficient use of market mechanisms for interaction between producers and procurers of fruit and vegetable products in terms of placing crops, selecting market-demanded fruit and vegetable varieties;
2. Low contractual discipline among small agricultural producers, manifested in untimely, poor-quality, incomplete fulfillment, or complete non-fulfillment of concluded contracts;
3. Lack of favorable conditions for accumulating financial resources for the mechanization of agricultural labor, the introduction of modern intensive technologies, primarily water-saving ones, the expansion of storage and transportation capacities, and independent access of agricultural producers to foreign markets;
4. Inadequate supply of agricultural producers with seeds, seedlings, and saplings of high-yield varieties of the required quality demanded by markets;
5. Low level of the personnel training system, which does not meet the real needs of agricultural producers, including due to the lack of international cooperation in training highly qualified specialists with modern knowledge at middle and senior levels;
6. Underdeveloped logistics and transport infrastructure leading to crop losses, sales of grown products at reduced prices, and, consequently, low financial performance of agricultural producers;
7. Lack of in-depth scientific research on current agrotechnological issues of various crops and their implementation in practice, as well as a low level of interaction between research institutes and agricultural producers.

To ensure the accelerated and effective development of fruit and vegetable production, expand the production of high-quality and competitive finished products, further promote them in major foreign markets, and consistently implement the tasks outlined in the Strategy of Actions for Five Priority Directions of Development of the Republic of Uzbekistan in 2017–2021:

1. Acknowledge that experience in supporting the establishment of a cluster form of agricultural production in the fruit and vegetable sector has been developed in Surkhandarya Region.
2. The Cabinet of Ministers of the Republic of Uzbekistan, the Council of Ministers of the Republic of Karakalpakstan, and regional and district khokimiyats, starting from the current agricultural year, shall take measures to widely introduce the cluster form of organizing fruit and vegetable production (hereinafter — fruit and vegetable clusters), which provides for the formation of a chain based on the principle of "seeds — seedlings (saplings) — production — procurement — storage — processing — transportation — market delivery":

- Within a single or group of interconnected enterprises independently carrying out the entire cycle from production to the sale of fruit and vegetable products;
 - Based on guaranteed contracts between agricultural producers and procurement, processing, and exporting enterprises, providing producers with planting material, advance resources for organizing agricultural work, and purchasing their products at agreed prices.
3. Deputy Prime Minister of the Republic of Uzbekistan Z.T. Mirzaev, Chairman of the Council of Ministers of the Republic of Karakalpakstan, and regional and district khokims shall, in accordance with established procedures, when allocating agricultural crops on lands freed from cotton cultivation, grant land use rights on long-term lease terms primarily to economic entities (groups of interconnected enterprises):
- Possessing logistics centers (storage capacities, primary or deep processing of fruit and vegetable products, agricultural machinery), as well as experience in selling fruit and vegetable products in domestic and foreign markets;
 - Experienced in creating and operating modern greenhouse farms and intensive orchards;
 - Having their own and attracted financial resources to organize agricultural production in a value-added chain in the cluster form;
 - Undertaking obligations to organize the cultivation, processing, and sale of fruit and vegetable products, including for export, introducing the most advanced resource- and water-saving technologies, and creating new jobs.
4. The Council of Ministers of the Republic of Karakalpakstan, regional khokimiyats, together with the Ministry of Agriculture of the Republic of Uzbekistan, shall:
- Ensure the creation of 1–2 fruit and vegetable clusters in each region in 2018 and involve all districts specialized in fruit and vegetable production in the cluster form of agricultural production starting from 2019;
 - Grant fruit and vegetable clusters the right to independently decide on the placement of agricultural crops, determine production volumes, types, and varieties, apply agrotechnological methods considering soil and climatic conditions and market demand in domestic and foreign markets, and conclude contracts with farmers and dekhkan farms for the procurement of their agricultural products;
 - Together with the Ministry of Water Resources of the Republic of Uzbekistan, assist agricultural producers in cleaning irrigation and drainage systems.
5. Deputy Prime Minister of the Republic of Uzbekistan S.R. Kholmuradov, together with the State Committee on Investments, shall, within two months, submit proposals on:
- Attracting credit lines from international financial organizations and institutions, including for participation in the authorized capital of fruit and vegetable clusters with the right of subsequent buyout of these shares by founders — residents of the Republic of Uzbekistan;
 - Opening credit lines in commercial banks for pre-export financing of fruit and vegetable clusters and other producers and exporters of fruit and vegetable products;
 - Expanding credit lines from international financial institutions to finance projects for creating seedling and sapling nurseries, logistics centers for fruit and vegetable clusters, greenhouse construction, and establishing intensive orchards;
 - Attracting grant funds and technical assistance from international organizations to send agronomists and other employees of fruit and vegetable clusters, modern intensive orchards, and greenhouse farms to leading foreign companies for training and internships for up to one year.
6. Exempt until January 1, 2021:

- Economic entities from all types of taxes and fees (except for the single social payment) for the production of seeds, seedlings, saplings, and rootstocks in nurseries and greenhouses and their supply to agricultural producers;
 - From customs duties (except for customs clearance fees) for imported seeds, saplings, rootstocks, mineral fertilizers, chemical plant protection products, modern energy-saving greenhouses, and their components as per the Appendix.
- 7. Grant, starting from January 1, 2018, organizations engaged in the procurement of fruit and vegetable products the right to pay a single tax payment on the amount of remuneration, with income taxed at the rate provided for intermediary organizations.
- 8. The Ministry of Finance of the Republic of Uzbekistan, together with interested ministries and insurance organizations, shall submit proposals for improving the insurance mechanism for contracts between producers and procurers of fruit and vegetable products.
- 9. The Ministry of Agriculture, together with the Ministry of Investments and Foreign Trade, the State Customs Committee, and the Agency for Quarantine and Plant Protection, shall ensure phytosanitary support and protection of plants from pests, diseases, and weeds, on an experimental basis, based on contracts with fruit and vegetable clusters, considering final settlements and remuneration based on actual results and crop preservation.
- 10. The State Inspectorate for Plant Quarantine under the Cabinet of Ministers of the Republic of Uzbekistan, together with the Ministry of Agriculture of the Republic of Uzbekistan, shall, by September 1, 2018, develop a State Program for comprehensive plant protection from pests, diseases, weeds, bacteria, and viruses, strengthening phytosanitary supervision, and ensuring a favorable phytosanitary condition in the Republic.
- 11. The Ministry for Development of Information Technologies and Communications and the Ministry of Foreign Trade of the Republic of Uzbekistan shall, by November 1, 2018, ensure the creation of an electronic database accessible to all agricultural producers containing information on potential foreign markets, including details on types, varieties, approximate demand volumes by major consumers, and their requirements.
It is established that information on foreign markets shall be compiled and updated by the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan, including with the involvement of employees of embassies and trade representatives of the Republic of Uzbekistan abroad.
- 12. The Ministry of Innovative Development and the Ministry of Agriculture of the Republic of Uzbekistan, with the involvement of specialized research institutes, shall develop a program of measures to organize the selection of high-yield crop varieties resistant to drought, diseases, and pests.
- 13. Assign personal responsibility to the heads of JSC "Uzbekenergo" (U. Mustafayev), JSC "Uztransgaz" (A. Mustafayev), the Council of Ministers of the Republic of Karakalpakstan, and regional khokimiyats for the uninterrupted supply of electricity and natural gas to the production and processing capacities of fruit and vegetable clusters in accordance with their production needs.
- 14. First Deputy Prime Minister of the Republic of Uzbekistan A.Zh. Ramatov, Deputy Prime Minister of the Republic of Uzbekistan N.S. Otazhonov, the Ministry of Foreign Trade (Zh. Khodjaev), and JSC "Uzbekistan Temir Yollari" (Khasilov Kh.) shall, within one month, submit proposals on:
 - Optimizing and simplifying the procedure for providing railway wagons, including refrigerated wagons, to exporters of fruit and vegetable products in timeframes ensuring the fulfillment of export contracts;

- Organizing the production of modern refrigerated containers, including with the involvement of foreign investors, their certification and registration in international registries, and determining the procedure for their sale (provision) to fruit and vegetable clusters, procurement organizations, and other interested users, including through leasing.
16. The Ministry of Agriculture, the Ministry of Higher and Secondary Specialized Education, and the Academy of Sciences of the Republic of Uzbekistan, together with the Ministry of Foreign Affairs, shall ensure the establishment of international cooperation in training highly qualified specialists with modern knowledge in agrotechnologies.
 17. The Ministry of Foreign Affairs of the Republic of Uzbekistan shall ensure the issuance of entry and multiple-entry visas to foreign specialists invited at the request of regional khokimiyats, fruit and vegetable clusters, and other agricultural producers for up to 12 months.
 18. The Ministry of Internal Affairs of the Republic of Uzbekistan shall ensure, at the request of regional khokimiyats, fruit and vegetable clusters, and other agricultural producers, the issuance, extension, and registration of multiple-entry visas and temporary residence permits for foreign specialists without charging state duties.
 19. The Ministry of Employment and Labor Relations of the Republic of Uzbekistan shall ensure, at the request of fruit and vegetable clusters, the issuance (extension) of permits for attracting highly qualified foreign agricultural specialists to the Republic of Uzbekistan, as well as the issuance (extension) of confirmations for their right to work in the Republic of Uzbekistan.
 20. The Ministry of Agriculture, together with the Ministry of Justice, the Ministry of Economy of the Republic of Uzbekistan, and other interested agencies, shall, within one month, submit proposals to the Cabinet of Ministers of the Republic of Uzbekistan on amendments and additions to legislation arising from this Decree.
 21. Assign responsibility for the implementation of this Decree to the Prime Minister of the Republic of Uzbekistan A.N. Aripov, Deputy Prime Ministers of the Republic of Uzbekistan N.S. Otazhonov, Z.T. Mirzaev, and the Prosecutor General of the Republic of Uzbekistan O.B. Murodov.

President of the Republic of Uzbekistan

Sh. Mirziyoyev
Tashkent,
March 29, 2018,
No. UP-5388

APPENDIX

to the Decree of the President of the Republic of Uzbekistan dated March 29, 2018, No. UP-5388

LIST

of seeds, saplings, rootstocks, mineral fertilizers, chemical plant protection products, and components for modern energy-saving greenhouses exempt from customs duties (except for customs clearance fees)

No.	Name of Goods	HS Codes*
1.	Saplings and rootstocks	060210, 060220
2.	Coconut substrate for hydroponics systems	5305000000
3.	PVC or PP tray for coconut substrate	3926909705

No.	Name of Goods	HS Codes*
4.	Mineral fertilizers, insecticides, rodenticides, fungicides, herbicides, anti-sprouting agents, and plant growth regulators, disinfectants	3101 — 3105, 3808
5.	Classic bumblebee hive	010641
6.	Greenhouse covering	3920108900, 5608199000, 7312108909, 7326200009
7.	Energy-saving and shading system	5603121000, 7312104900, 7326905000
8.	Greenhouse control system	8501510000, 8483908909, 8425390004, 8537101000
9.	Computer climate control system	8537109100
10.	Fogging system	8424890009
11.	Heating system	8402200009, 8416202000, 7310299000, 8481409000, 8419110000
12.	Drip irrigation system	8424821000
13.	Circulation and exhaust fans	8414510000, 8414598000
14.	Other components and parts of modern greenhouse complexes	3926909709, 7326909807

- Final HS codes for goods will be determined during their customs clearance.

(National Legislative Database, March 30, 2018, No. 06/18/5388/0970; September 28, 2020, No. 06/20/6075/1330; January 27, 2021, No. 06/21/6146/0065; October 8, 2021, No. 06/21/6320/0940; February 12, 2022, No. 06/22/67/0128; April 9, 2022, No. 06/22/101/0288; November 11, 2023, No. 06/23/193/0844)