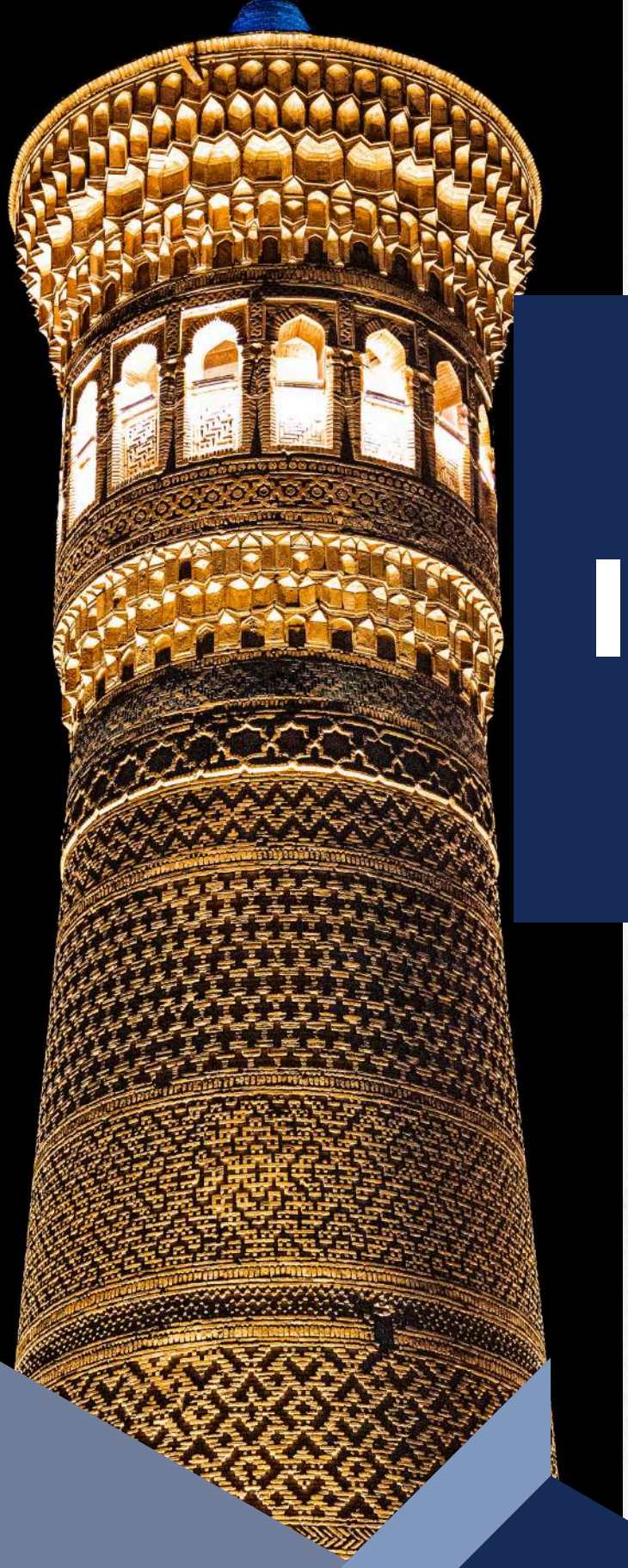

MINISTRY OF MINING INDUSTRY AND GEOLOGY OF THE REPUBLIC OF UZBEKISTAN

LEGAL INVESTOR GUIDE

2025

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www.gov.uz/mingeo/

Ministry
of Mining Industry
and Geology of the
Republic of Uzbekistan

Dear Investor!

If you intend to invest in the Republic of Uzbekistan to conduct mining, extract mineral resources, or carry out geological exploration, you have come to the right place. This guide clearly explains all the necessary knowledge, legal procedures, and practical steps in a step-by-step and understandable manner. In each chapter, complex terms are explained in simple language, ensuring you are left with no questions or uncertainties.

Uzbekistan is a country with rich subsoil reserves. Here, you will find gold, copper, uranium, lithium, iron, coal, phosphorite, tungsten, and many other strategic resources. The government of the country is placing great emphasis on the efficient and sustainable development of these resources.

As such, all conditions for foreign and local investors have been created: the legal framework has been modernized, the permitting procedures have been digitalized, and infrastructure is being developed.

The purpose of this guide is to help you understand what steps to expect when referring to any document. How can a company be established? Where should permits be obtained? How does geological exploration begin? Who is entitled to tax and customs incentives? Each question is answered with practical and clear responses.

If this is your first time dealing with the mining sector, do not worry. Every process is explained simply. Our goal is to guide you, enable you to operate without bureaucratic obstacles, and make it easier to start mining in Uzbekistan.

Ministry
of Mining Industry
and Geology of the
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Ministry
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About Ministry

The Ministry is a republican executive authority that develops and implements a unified state policy in managing mining industry relations, geological study and protection of the subsoil, its use, as well as management of mining relations. It coordinates the activities of executive authorities in this area and organizes leadership within its system on the principle of sole authority.

The following are the Ministry's priority areas and tasks:

- To develop and implement a unified state policy in the field of mining industry and geology, and coordinate the activities of executive authorities in these areas;
- To ensure the sustainable development of the country's mineral resource base through geological exploration works, attract investments, discover new deposits of mineral resources, and organize work to diversify the mineral resource base of industrial sectors;
- To conduct scientific research, regional geological mapping, geophysical and drilling works to identify prospective areas of mineral resources in the republic, and to improve the efficiency of geological exploration in increasing mineral reserves;
- To further improve the system of subsoil water use and well drilling in the republic, widely promote the culture of using underground water among the population, and systematically prevent quantitative depletion and pollution;
- To develop the mining and metallurgy industries, construct new production facilities based on increased investment in this area, develop extraction and processing of mineral resources, form material balances for their production and use, and coordinate the production of high-quality, export-oriented value-added products by introducing advanced technologies;
- To provide timely and high-quality public services on the basis of a transparent system in the areas of subsoil use and industrial safety, improve the practice of gold panning, maintain the state subsoil fund, and ensure data transparency;

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Ministry of Mining Industry and Geology of the Republic of Uzbekistan

Welcome letter

B.F. Islamov
Minister of Mining Industry and Geology

Dear Esteemed Investors,
On behalf of the Ministry of Mining Industry and Geology of the Republic of Uzbekistan, I extend a warm welcome to all potential partners and investors. Uzbekistan is undergoing dynamic reforms and is committed to becoming a key global hub for responsible and sustainable mining investment.
The mining sector is one of the country's strategic priorities. With over 200 untapped deposits and a stable legal framework backed by digital licensing reforms,

As we reflect on the past year's endeavors and look ahead to the future, I am proud to present the annual report of the Ministry of Mining Industry and Geology.
Over the past year, our efforts have been directed towards advancing Uzbekistan's mining and geology sectors in alignment with the ambitious objectives outlined in the "Uzbekistan-2030" strategy. Uzbekistan stands ready to support and safeguard your investments. We are pleased to present this Investment Guide to provide you with a comprehensive understanding of our opportunities, procedures, and support mechanisms.

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Ministry
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Republic of Uzbekistan

5 Reasons to Invest in Uzbekistan's Mining Sector

01

Abundant and Untapped Resources

Uzbekistan is home to over 200 prospective mineral deposits, including gold, copper, uranium, tungsten, rare earth elements, lithium, and more — making it one of the most resource-rich nations in Central Asia.

02

Transparent and Digitized Licensing System

All mining rights are issued via electronic platforms (auctions, tenders, or "first-come, first-served" basis), fully aligned with Cabinet Decision CoMD-133, ensuring clarity, traceability, and reduced bureaucracy.

03

Attractive Tax and Customs Regime

Companies operating in Special Economic Zones (SEZs) benefit from up to 10 years of exemptions on land tax, corporate income tax, VAT, and customs duties — enhancing investor ROI.

04

Government-Backed Infrastructure Incentives

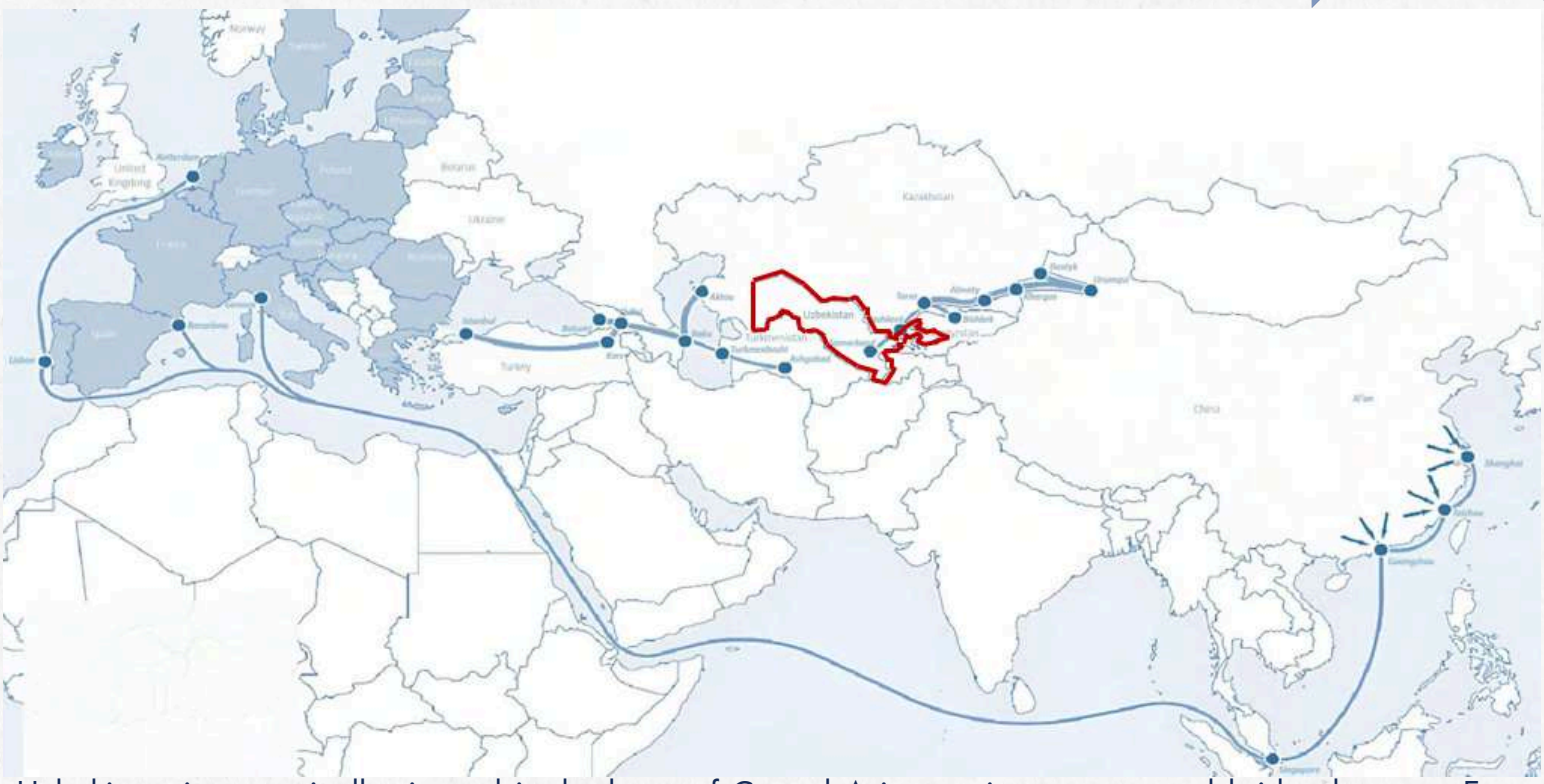
Mining projects with capital value exceeding 200 billion UZS are eligible for state-funded infrastructure development (electricity, gas, roads, water), as per Presidential Decree PD-5233.

05

Strategic Geographical Location

Situated at the heart of Eurasia, Uzbekistan provides direct access to CIS, Chinese, European, and South Asian markets via developed rail and road corridors — ideal for resource export.

International logistics corridor and air connectivity



Uzbekistan is strategically situated in the heart of Central Asia, serving as a natural bridge between Europe and Asia. The country benefits from an extensive and growing network of international transport corridors, including the China–Central Asia–Europe railway and the Trans-Caspian International Transport Route. These corridors enhance multimodal connectivity, offering efficient access to major markets.

Furthermore, Uzbekistan's international airports— located in Tashkent, Samarkand, Bukhara, and Navoi—provide regular air freight and passenger services to key global destinations. The Navoi International Airport operates as a key cargo hub, integrated with a Free Industrial Economic Zone, making Uzbekistan an ideal logistics and re-export center for investors targeting both regional and global supply chains.

1 Establishing a Legal Entity in Uzbekistan

If you plan to operate in the mining sector in Uzbekistan, the very first step is to establish a legal entity, i.e., to open a company. This is not merely registering a name, but operating as a legally recognized entity by the state. Below is a step-by-step explanation of the company formation process:

Step 1: What type of company do you want to open?

According to the legislation of Uzbekistan, you can establish a company in the following forms:
LLC (Limited Liability Company) – the most common and simplified form.
Joint Venture – based on a mix of foreign and local capital.
Branch or Representative Office – if you want to operate as part of a large foreign company.

Step 2: Online Registration

The process of establishing a company in Uzbekistan is digitalized. You can upload your documents via the my.gov.uz portal and register your company within 1 business day. Required documents:
Founding documents (charter, minutes)
Copy of the director's passport
Legal address

Step 3: Tax and Banking Matters

Once the company is registered, you will receive:
TIN (Taxpayer Identification Number)
Bank account number
Electronic Digital Signature (EDS)
These are needed to work with electronic documents, conclude contracts, and submit tax reports.

Step 4: Employees and Labor Relations

If you plan to hire workers for your company, their employment contracts must be entered online into the E-mehnat (E-labor) system. Each worker will be legally registered.

Step 5: Preparation for License Application

Once your company has obtained legal status, you will be eligible to apply for permits for geological exploration. In the next sections of this guide, we will discuss this in detail.

my.gov.uz

E-AUKSION

Important Note:
This process is the same for foreign investors as it is for local investors and is implemented under equal terms. There is no discrimination. The government is taking steps to simplify and expedite this process.
Once all the above steps are completed, you officially become the owner of a legal entity and are ready to operate in the mining sector.

2 Obtaining Licenses and Participating in the E-Auction

In order to conduct mining or geological exploration works in Uzbekistan, it is mandatory to obtain a permit — that is, a LICENSE. This document grants you the legal right to use a specific subsoil area. Without a license, no individual or company is permitted to carry out geological exploration or extraction activities.

What is a license?

A license is a legal document that grants you permission to conduct geological activities or extract mineral resources in a specific subsoil area within the territory of Uzbekistan. It is issued electronically by the Subsoil Use Center under the Ministry of Mining Industry and Geology. This process is now fully digitalized.

There are three main ways to obtain a license:

Through E-auction (e-auksion.uz) – This is the most common method. The government puts unused or re-offered subsoil plots up for auction. If you participate and offer the best bid, you win the right to the license.

Through Tender (Selection Process) – If a plot has no available geological data, you may submit a proposal expressing interest. Government agencies review the applications and award the license to the company offering the most favorable terms.

"First Come – First Served" Principle – If no one has expressed interest in a particular subsoil plot, and there is no competition, you can apply first and receive the license without contest.

Steps for participating in the E-auction:

Register at www.e-auksion.uz

Choose a subsoil plot of interest using the interactive map

Submit an application for participation and confirm it using your EDS (Electronic Digital Signature)

Participate in the auction on the scheduled date and submit your bid

If you win, pay the license fee and state duty

The electronic permit with a QR code will be sent to you

Rights associated with a license:

A license is issued for up to 5 years (for geological exploration) or more than 5 years (for mineral extraction).

License holders are authorized to conduct exploration activities, collect samples, install equipment, and build temporary structures on the licensed plot.

What is "Exclusive Right"?

If you conduct geological exploration and discover a new deposit, you are granted an "Exclusive Right." This means that only you can develop that deposit — it will not be offered to anyone else. However, you must submit a license application for extraction within 1 year of discovering the deposit.

License Fees:

The fee is determined based on the size of the plot, the type of mineral, and the location.

After winning the auction, you must pay the amount you bid.

Confidentiality and Security:

After a license is issued, all geological data you obtain is considered confidential. No one can access this information without your permission.

Helpful Tips:

Before participating in an e-auction, assess the geological potential of your chosen area with experts.

Monitor plots announced via maps and interactive platforms regularly.

Study legal documents such as Cabinet Resolution No-133 and Presidential Decree No. PD-5233 — they will give you a complete understanding of the legal framework.

This section has provided you with complete information on how to obtain a license for mining operations, participate in trade procedures, and understand your rights.

Next, we will learn about geological exploration activities that must be conducted before mine development.

3 Geological Exploration Works

In Uzbekistan, geological exploration is mandatory before any mining or extraction of mineral resources begins. This stage is crucial because it is when you determine what lies beneath the earth, what resources are present, how deep they are located, and how they can be extracted from a technical perspective.

What is geological exploration?

Geological exploration is a scientific and technical activity aimed at identifying the structure of the subsoil, the location, volume, and quality of mineral layers, and the economic feasibility of extracting them. These works are carried out strictly on the basis of an appropriate license.

Stages of geological exploration:

Prospecting Stage – Promising areas are selected based on existing geological maps, historical data, and previous studies.
Evaluation Stage – The type, quality, and volume of the mineral are determined through laboratory analysis, drilling, and sampling.
Delimitation Stage – The technical and economic feasibility of extraction is confirmed. Final reports are prepared.

Based on objectives, geological study of subsoil includes the following 5 stages:

Regional Work for General Geological and Mineragenic Purposes – Involves systematic geological study of a large area and general assessment of its mineragenic potential through comprehensive fundamental data.
Prospecting Work – Conducted in newly identified or known mineralized zones. Predictive resources of categories P3 and P2 are assessed based on previous work. The main goal is to search and identify promising signs of mineral deposits (potential deposits).
Evaluation Work – Carried out in mineral occurrences (potential deposits) positively assessed and confirmed in detail exploration, with predictive resources of category P1. The key goal is to determine the commercial value of discovered signs, primarily through C2 category reserves assessment.

Exploration Work – Focuses on preparing the deposit for industrial-scale development.
Operational Exploration – Conducted throughout the entire period of deposit development to obtain primary reliable data for mining and preparation, cutting and cleaning works. It also ensures full extraction of reserves of main and associated (satellite) minerals. Main tasks include defining reserve quantity and quality by contour, composition, structure, technological types and grades of ores, and determining hydrogeological, mining, and engineering-geological conditions by individual areas, horizons, and blocks.

Conducted under license

Geological exploration can only be performed under a QR-coded electronic permit issued by the Subsoil Use Center under the Ministry of Mining Industry and Geology. The license indicates:
The name of the area
The period for which the work is permitted
The type of mineral to be identified
The rights and obligations of the investor

How technical work is performed:

Drilling (exploration) wells are opened
Soil, rock, and mineral samples are collected
Each layer is analyzed in a laboratory
Location and depth are determined using GIS (Geographic Information Systems)
Reports are submitted quarterly to state authorities

Reporting and Monitoring:

Activity reports must be submitted every 3 months during the exploration process
At the final stage, a complete report is submitted, detailing the geological structure, deposit coordinates, reserve volume, and technical solutions
The report is reviewed and approved by the State Reserves Commission. Only after this can a permit be obtained for mining

Project Duration:

Licenses for geological exploration are typically issued for a period of up to 5 years. Depending on project complexity, this period may be extended.

Important Recommendations:
Before starting exploration, review and analyze the archived materials of licensed deposits and areas
Conduct work with qualified specialists and ensure compliance with technical safety
Maintain regular contact with state authorities and submit reports on time to avoid legal issues
Conclusion:
Geological exploration is the most critical and fundamental stage in the path to mining.
Every action taken during this phase forms the basis of your right to extract minerals.
Therefore, this stage must be executed with seriousness, planning, and in full legal compliance.

4 Technical Assignment and Feasibility Study Development

What is a Technical Assignment (TA)?

After the successful completion of geological exploration works, you proceed to the next stage — the development of a Technical Assignment (TA) and Feasibility Study (FS). This stage involves the preparation of the most important documents that define the technical and economic basis of mining operations. These documents must be developed and approved before starting mine development.

The technical assignment is an official document that serves as the foundation for the development of project documentation. It outlines the project goals, technological solutions, existing conditions, safety measures, project capacities, environmental constraints, and many other technical indicators.
TA is essentially a "roadmap" for the project work and is considered the primary document in technical project development.

The TA consists of the following components:

Project name and location
Project objective
Technological processes to be implemented
Needs for energy, water, gas, and other resources
Construction works and engineering communications
Technical safety and environmental impact
Forecast of financial expenditures

What is a Feasibility Study (FS)?

The FS is a detailed document that proves whether your project is technically and economically viable or not. It considers the following aspects:
Volume and quality of the extractable mineral resource
Production technologies and equipment
Capital and operational expenditures
Internal Rate of Return (IRR), Net Present Value (NPV), Payback Period
Environmental impact and mitigation measures
Social and economic impact of the project

How is the FS developed?

A mining plan is created based on geological data
Lists of required equipment, infrastructure, and resources are determined
Costs for construction and installation works are calculated
A financial model is built, including IRR and NPV calculations
Environmental and safety measures are outlined

Where are TA and FS documents developed?

Specialized design institutes
Engineering companies in the mining sector
Licensed project developers included in the list approved by ministries and agencies

Who approves the documents?

Reviewed by the Interdepartmental Scientific and Technical Council (ISTC)
Approved by the State Reserves Commission

What is the timeframe?

TA and FS documents are usually developed within 3–6 months
For high-complexity projects, the period can be extended to 9–12 months

What are common errors?

Vague or unclear technical terms in the TA
Incorrect financial, economic, or technological calculations in the FS
Inadequate description of environmental impacts
Lack of involvement of qualified specialists in the development

Recommendations:

Engage qualified experts from the start of the project
Ensure all figures are evidence-based and rely on technical documentation and market assessments
Do not overlook environmental safety considerations
Final Outcome:
If you develop a proper TA and FS, you will achieve the following:
Mining operations can begin in an orderly manner
A legal basis is established for obtaining tax and customs incentives
Thus, developing the technical assignment and feasibility study is not just a technical requirement — it is the foundation for implementing your project. Proper, accurate, and legally prepared documentation will prevent future issues.

5 Requirements for Mining Permit (Expert Reviews, Environmental Approvals, and Scientific-Technical Council Clearance)

Once the Technical Assignment (TA) and Feasibility Study (FS) are prepared, your project enters the stage of expert review and approval. This phase assesses whether the project complies with legislation, environmental standards, technical safety, and economic viability.

Process 01

What is a State Expert Review?

The state expert review is the process through which authorized government bodies evaluate the documents you submit. Primarily, the following documents are reviewed:

- Geological reports
- Technical Assignment (TA)
- Feasibility Study (FS)
- Environmental Impact Assessment
- Construction and project design documents

At the end of the review, a positive or negative conclusion is issued. If positive – you proceed to the next stage. If negative – you must address deficiencies and resubmit.

What is the Scientific-Technical Council (STC)?

The STC is a panel of scientific, technical, and practical experts in the field of mining and geology. They evaluate the technical soundness, innovative solutions, and safety measures of your project. Your TA and FS documents are discussed here.

The STC focuses on:

- Economic feasibility of mineral extraction
- Modernity of technology and equipment
- Local infrastructure and supply capabilities
- Environmental and industrial safety
- Tax contributions and social impact

Environmental Impact Assessment

This document determines the environmental impact of your project activities. It outlines:

- Emissions to the atmosphere
- Use and contamination of water resources
- Management of solid waste
- Impact on ecosystems (flora and fauna)
- Plan for mitigation of environmental damage

The EIA is developed by licensed environmental organizations and reviewed by the Ministry of Ecology, Environmental Protection, and Climate Change.

Environmental Expert Review

This is conducted based on EIA documents. Specialists evaluate each environmental risk mentioned in the project and assess whether proposed compensation or mitigation measures are sufficient. In some cases, additional monitoring may be required.

Scheduled Environmental Monitoring

Environmental oversight continues after project launch
Quarterly or annual reports are submitted to ecological authorities
Based on monitoring results, fines, corrective measures, or suspension of operations may be enforced

Who are the approving authorities?

State expert review centers (for construction and industry)
Ministry of Ecology and Environmental Protection
Ministry of Mining Industry or Geological Committee
Regional governments (in certain cases)

Duration and Procedure of Review:

Usually completed within 30–60 business days
If deficiencies are found, they are formally communicated
After corrections are made, the project is reviewed again

What documents are required?

Full versions of the TA and FS
Financial, energy, and workforce calculations
Project drawings (design plans, infrastructure)
Geological reports
Environmental documents

Real Example:

In 2024, the FS submitted for a prospective gold deposit in Kashkadarya region had to be revised three times. The reason: shortcomings in the environmental section and insufficient water treatment solutions. After refining the project with specialists, the investor successfully passed the expert review.

Final Conclusion:

A positive expert review means you are now eligible to begin full-scale mining operations. This is the most important stage confirming the legality and safety of your project. It also provides the investor with a state-recognized guarantee.
Now it is time to proceed to the implementation and production phase of your project.

Key Recommendations:
Submit each document in a separate folder
If issues arise, request detailed explanations and resolve them promptly
Ensure compliance with both local and international standards (ISO, IFC, UNECE)
Consult environmental specialists in advance to assess high-risk zones

6 Transition to Operations and Production Stage

Once you receive a positive conclusion from the expert review, you are granted permission to initiate mining and production operations. At this stage, you begin practical activities such as preparing the site, installing equipment, allocating the mine area, connecting infrastructure, and launching production.

Operating Under a Permit

You now possess a QR-coded permit for mining. Based on this permit, you are authorized to carry out the following activities:
Excavation and blasting operations
Import and installation of equipment
Construction of mining infrastructure
Recruitment and training of workers
Launching environmental monitoring and safety systems

Land Allocation and Site Preparation

The boundaries of the land plot are officially registered with the State Cadastre
A lease agreement is signed with the local government (hokimiyat)
Land tax and other related payments are calculated

Construction and Installation Works

Construction of mining buildings, offices, warehouses, and workshops
Connection of electricity, water, gas, and communication networks
Installation of safety infrastructure: emergency exits, fire systems, waste management

Importing Equipment and Technologies

Customs permits must be obtained for imported equipment
Customs exemptions are applied (if the project is included in the official registry)
Technologies not produced in Uzbekistan may qualify for tax exemption based on the approved list

Hiring and Training Workers

Employment contracts are signed with each staff member
Safety briefings are conducted
Responsible specialists for mining supervision and environmental compliance are appointed

Commencing Mining Operations

Operations begin in accordance with the mining technology plan
Drilling, blasting, crushing, and sorting are conducted step-by-step
Monitoring systems are implemented (GPS, sensors, video surveillance)

Reporting and Monitoring

Quarterly activity reports are submitted to the Ministry of Mining Industry and Geology
Data on waste, air, and water monitoring is submitted to the Ministry of Ecology
Tax and customs reports are submitted electronically

List of Key Documents:

Mining license and expert review conclusion
Land lease agreement
Financial plan based on the Feasibility Study
Customs permits
List of employees and employment contracts

Recommendations:
Ensure all your actions are backed by legal documents
Pay close attention to safety measures — this guarantees retention of your permit
Engage with the local community — social stability enhances investor trust

In summary, this is the formal start of your mining operations. At this stage, proper management, legal compliance, and a systematic approach are of critical importance.

7 Importing Technologies Not Produced in Uzbekistan

If you plan to import modern technologies or equipment from abroad for mining or geological exploration, this process can be carried out legally and efficiently. For technologies not produced in Uzbekistan, special customs and tax exemptions are available. This section explains, step-by-step, how these exemptions are applied, what procedures are required, and what documents must be prepared.

1. Why is a special procedure needed?

Certain technologies and equipment (e.g., safety systems for explosives, underground drilling rigs, GPS-based mine monitoring systems) are not manufactured in Uzbekistan. If you need to import such equipment, you are entitled to:
Customs duty exemption
VAT exemption
Excise tax exemption
Temporary import authorization

2. What is the procedure for import?

Confirmation that the technology is not produced in Uzbekistan
Confirmed by a special commission or the Ministry of Investment
In some cases, determined independently via the list of manufacturers
Inclusion of your project in the investment registry
Grants eligibility for customs and tax exemptions
Submission of documents to customs authorities
Import contract
Invoice and packing list
Certificate of origin
Product description based on HS code (TIF TN)
Conclusion letter stating “Not produced in Uzbekistan”
Obtaining an electronic customs permit
Application submitted via the unified portal (my.gov.uz)

3. Types of exemptions:

Customs duty – 0%
VAT – 0% (only within an approved investment project)
Excise tax – 0% (if applicable to the technology)
Temporary import – up to 3 years with a guarantee letter

4. Practical Recommendations:

Ensure your project is included in the official registry before import
Formalize the certificate of origin – it's essential for preferential treatment
Assign a unique HS code (TIF TN) to each piece of equipment – incorrect codes may result in taxes being applied
If part of the equipment can be locally sourced, consider hybrid procurement – exemptions apply only to non-analog components

5. Real-life Example:

In 2023, a foreign investor imported a $5 million magnetic separation line from Germany for a phosphate deposit in Karakalpakstan. As the equipment was not available in Uzbekistan, the Ministry of Investments issued a confirmation letter. The project was included in the registry under Presidential Decree PQ-5233. As a result:
The investor was exempted from customs duties worth 3 billion UZS
Saved 1.7 billion UZS in VAT (15%)
Equipment was temporarily imported for 3 years, reducing tax burden

6. Common Errors and Consequences:

Incorrect HS code – leads to incorrect tax calculation
Missing certificate of origin – results in mandatory VAT payment
Unregistered project – ineligible for exemptions

7. Reporting to Tax Authorities:

After import:
Report to the Tax Committee for inventory and VAT reporting
Submit annual usage monitoring reports
Undergo financial monitoring for the project

8. Customs Control and Monitoring:

Monitoring is carried out via electronic declarations
After 3 years, temporarily imported equipment must be purchased or returned
Usage must remain under regulatory supervision

Summary:
Importing technologies not produced in Uzbekistan allows you to introduce innovative solutions, reduce production costs, and benefit from tax relief. With the right approach and complete documentation, this process can be smooth, legal, and highly beneficial for your project.

8 Taxes and Available Incentives

Tax policy is one of the most important factors for any investor. In Uzbekistan, there is a special tax regime, relief measures, and incentives available for both foreign and local investors engaged in mining activities. This section provides detailed information on the key types of taxes applicable in the mining industry, the incentives granted for each, relevant legal bases, and practical advice.

1. Main Types of Taxes:

Land tax – determined based on the area of the utilized land plot.
Rental payments (renta)
Corporate income tax – set at 15% based on the difference between income and expenses.
VAT (Value Added Tax) – standard rate is 12%, but exemptions apply to investment projects.
Export tax – applicable to some raw material categories.

2. Incentives:

For large investment projects:
Exemption from land tax for 3 to 10 years
Exemption from VAT for 3 to 7 years
Exemption from income tax for 3 to 10 years
For enterprises located in Free Economic Zones (FEZ):
Exemption from all taxes for 3 to 10 years
For imported equipment:
Exemption from VAT and customs duties (if not manufactured in Uzbekistan)

3. Real-life Example:

In 2024, an investor launching a mining project in Navoi region registered a project worth USD 50 million. The following incentives were granted:
Exempted from land tax for 8 years
Income tax rate set to 0% for 5 years
VAT of 10 billion UZS was waived on imported equipment
These relief measures provided substantial financial savings in the early stage of the project.

4. Tax Payment Procedure:

Taxes are calculated and paid quarterly
Electronic tax reports are submitted through soliq.uz portal
Payments are made according to a monthly or annual payment schedule

5. Errors and Warnings:

Tax incentives are granted only to projects registered in the investment registry
Each incentive requires a separate permit and supporting documentation
False reports or incorrect justifications may lead to tax penalties

6. Tax Monitoring:

The Tax Committee conducts monitoring throughout the year
Quarterly financial reports are required
Audits are conducted for companies utilizing tax incentives

7. Important Recommendations:

Involve a tax consultant
Understand the legal basis for each tax type
Develop a reinvestment strategy to reduce income tax

Summary:
Uzbekistan's tax policy for the mining sector is designed to provide favorable conditions for investors. Digital reporting systems, simplified tax regimes, and incentives based on legal norms ensure the sustainable development of your project.

9 Reporting and Monitoring

Once you begin mining operations, your company is required to submit regular reports. This process ensures that the state can monitor and control compliance with environmental safety, legal requirements, tax obligations, and technical discipline. Below is a detailed overview of each type of report, submission procedures, timelines, and monitoring mechanisms.

1. Types of Reports:

Geological reports – on exploration and extraction activities
Financial reports – on revenues and expenditures (to the Tax Committee)
Tax reports – monthly, quarterly, and annual (submitted via soliq.uz)
Environmental reports – impact on waste, water, and air (to the Ministry of Ecology)
Monitoring reports – equipment usage, safety regimes, technical operations

2. Reporting Deadlines:

Quarterly reports – every 3 months (geological, financial, and tax)
Annual reports – at the end of the year or in the first quarter of the following year
Environmental monitoring – typically semi-annually or per contract
Audit-prepared reports – upon request by regulatory authorities

3. Submission via Electronic Platforms:

soliq.uz – for financial and VAT reporting
my.gov.uz – for general permits, monitoring, and customs declarations

4. Forms of Government Monitoring:

Scheduled inspections – based on annual inspection schedules
Remote monitoring – through electronic control systems (GPS, CCTV)
Inspection reports – results are documented in official inspection records

5. Liability:

Failure to report – may result in administrative fines (based on the base calculation amount)
False or incorrect reports – if discovered during audit, may lead to legal action
Failure to submit environmental reports – may lead to temporary suspension of operations

6. Real-life Example:

In 2023, a mining company in Surkhandarya region was fined 27 million UZS by the Ministry of Ecology for not submitting environmental monitoring reports for two quarters. Later, an automated electronic monitoring system was installed, and reports were submitted on time.

7. Recommendations:

Assign a responsible specialist for each type of report
Familiarize your staff with electronic signatures and e-report formats
Prepare a monthly reporting calendar
Conduct internal reviews for audit preparedness

Summary:
Monitoring and reporting are not just legal requirements – they are key tools that strengthen your reputation as a reliable investor. Submitting accurate and timely reports helps ensure smooth cooperation with government bodies and avoids issues during future tax, environmental, or safety audits.

10 Environmental Safety and Technical Supervision

In the mining sector, environmental safety and technical control are not only legal requirements but also key responsibilities for investors and vital elements of sustainable production. This section provides comprehensive information on ensuring environmental protection during operations, safety measures, accident prevention, and coordination with oversight authorities.

1. Environmental Hazards and Mitigation Measures

Monitoring of dust, gases, and other harmful emissions into the atmosphere
Assessment of impact on groundwater and surface water bodies
Collection, sorting, and disposal of solid waste
Scheduled environmental monitoring: measurements, lab analyses

2. State Environmental Oversight

Inspections by the Ministry of Ecology and regional environmental authorities
Quarterly and annual environmental monitoring reports
Oversight based on Environmental Impact Assessment (EIA) and Environmental Impact Conclusion (EIC)
Audits of environmental treatment equipment

3. Technical Safety Requirements

Compliance with safety standards in drilling, blasting, and excavation equipment
Electrical safety: high-voltage lines, cables, motors
Special equipment and sensors for explosive environments
Use of personal protective equipment (helmets, warning signs)

4. Preparedness for Emergencies

Emergency response plans for fires, explosions, and technical accidents
Evacuation plans and emergency protocols at each site
Regular drills (simulations and alarm tests)
Coordination with local emergency services, medical teams, and technical brigades

5. State Technical Inspection

Scheduled inspections by the Mining Safety Inspectorate
Violations may lead to fines or suspension of operations
Annual inspections of equipment condition and safety systems are mandatory

6. Real-Life Example

In 2022, a mining company in Fergana region was fined 42 million UZS for failing to install a dust control system. The environmental inspectorate issued an order to install the system within 15 days. Once installed, monitoring was resumed and the process brought under control.

7. Recommendations

Involve an environmental and technical safety specialist at the project outset
Conduct annual technical audits through independent agencies
Regularly update emergency response plans
Maintain transparent and well-documented cooperation with inspection authorities

Summary
Environmental and technical safety is the responsibility of the investor and a guarantee of sustainable operations and public health protection. Strict compliance with legal standards and a strong commitment to safety will ensure your project's long-term success and integrity.

11 Legal Guarantees and Property Rights for Investors

Protecting your investment is not only an economic issue but a matter of legal certainty. The Republic of Uzbekistan provides both foreign and domestic investors with multiple legal guarantees to conduct their activities freely, stably, and lawfully. This section outlines these guarantees, property rights, license ownership, profit repatriation, and legal dispute resolution mechanisms.

1. General Legal Guarantees for Investors

Investments are protected by law.
The government cannot unilaterally revoke investor rights.
Any restrictions can only be applied based on legislation and court decisions.

2. License and Land Plot Guarantees

A license is a legal document and represents the investor's official right.
Land lease is registered in the national cadastre and legally guaranteed.
Throughout the license period, no new obligations or fees can be introduced (principle of stabilization).

3. Ownership and Usage Rights

Investors fully own all imported machinery, buildings, infrastructure, and other assets.
Ownership, usage, and management of property are fully protected.
A licensed mining area is considered an inseparable economic asset of the user.

4. Profit and Capital Repatriation Rights

Investors can freely transfer net profit abroad in any currency.
Dividends, interest, royalties, and compensation are all guaranteed.
Currency conversion is conducted freely through the Central Bank.

5. Protection Against Expropriation

Investments cannot be expropriated by the state.
In exceptional cases (e.g., public safety, environmental disaster), compensation must be:
Fair,
Timely,
Based on international market value.

6. Dispute Resolution Mechanisms

Investors have the right to appeal to Uzbek courts.
Investment disputes can be resolved via international arbitration (e.g., ICSID).
If bilateral investment treaties (BITs) exist, those provisions apply.

7. Real Example

In 2019, a French investor faced potential expropriation risks related to a uranium exploration agreement. The Government of Uzbekistan upheld the investor's property rights based on Decree PF-6019 and contractual obligations. The dispute was resolved mutually without arbitration.

8. Recommendations

Sign investment agreements in both Uzbek and English.
Notarize all legal documents related to licenses and land.
Include arbitration clauses in your agreements from the outset.
Refer to government decrees and legal acts that reinforce state guarantees.

Final Summary
Uzbekistan offers investors a stable legal environment, guaranteed property rights, and fair mechanisms for resolving disputes. These assurances protect your investment, ensure long-term operations, and provide international legal confidence.

12 Investment Agreements and Cooperation with the Government

Large-scale mining projects in Uzbekistan are often implemented either directly with the government or under public-private partnership (PPP) frameworks. The legislation of the Republic of Uzbekistan establishes clear procedures and legal foundations for entering into investment agreements with government authorities. This section explains the types of agreements, negotiation phases, rights and obligations, and the PPP mechanism in detail.

1. What Is an Investment Agreement?

An investment agreement is a formal contract between an investor and the government related to a strategic or large-scale project, specifying:
Project scope and duration
State support (land, infrastructure, tax incentives)
Investor obligations (employment, local content requirements)
Guarantees and dispute resolution mechanisms

2. Types of Agreements

Direct Investment Agreement – concluded with ministries (e.g., Geology, Energy, Finance)
Public-Private Partnership (PPP) Agreement – based on Presidential Decree PF-6019
B2G (Business to Government) Agreements – formalized by specific resolutions or decrees

3. Phases of Agreement Formation

Submit an investment proposal (project concept)
Reach preliminary agreement with a competent authority
Prepare documents: Feasibility Study (FS), Terms of Reference (TOR), Business Plan
Conduct negotiations and harmonize project terms
Conduct legal review of the draft agreement
Sign and officially register the agreement

4. Government Obligations

Allocate land and provide basic infrastructure
Grant tax and customs incentives
Issue construction and operational permits
Facilitate streamlined reporting procedures

5. Investor Obligations

Ensure financing according to the project timeline
Hire a certain percentage of local labor
Contribute to the development of local social infrastructure
Ensure transparency during government monitoring

6. Real Example

In 2021, an investment agreement worth $250 million was signed between Navoiy Mining Cluster and the Ministry of Geology for an exploration project. The government allocated 1,200 hectares of land, provided tax incentives, and supported infrastructure development.

7. Recommendations

Draft the agreement in both Uzbek and English
Clearly define every obligation and benefit
Maintain a professional approach in communication with government stakeholders
For PPP projects, finding a local partner can be highly beneficial

Summary
An investment agreement with the state serves as a legal guarantee, providing infrastructure support and official incentives for your project. When carefully drafted, such agreements ensure long-term stability and legal security for the investor.

13 Local Cooperation and Social Obligations

In the mining sector, successful implementation of large-scale investment projects requires active cooperation with local suppliers and contributions to social infrastructure. This not only ensures economic efficiency but also fosters strong ties with the local community, builds a positive social reputation, and supports regional development.

1. What Is Local Cooperation?

Local cooperation means utilizing Uzbekistan-based producers, service providers, and contractors to meet the operational needs of your project.

2. Why Is This Important?

Reduced logistics and delivery costs
Faster supply chains and implementation
Stimulates local economic development
Eligible for state-backed incentives and support

3. Local Content Requirements

Many investment agreements require investors to:
Use locally produced construction materials for building
Source vehicles, machinery, metal parts, and components from domestic manufacturers
Involve local companies for ongoing technical services and maintenance

4. Labor Force Requirements

70–80% of workers must be local employees (even for international companies)
Certain roles (e.g., safety, operations, HR) must be staffed by local professionals
Establish training centers and upskilling programs for the local workforce

5. Social Infrastructure Commitments

Typical PPP and direct investment agreements may include:
Building accommodation, dining, sanitation, and recreation facilities for workers
Supporting roads, water supply, and electricity networks for nearby communities
Funding social projects like schools, clinics, or community centers

6. Real Example

In 2022, an investor operating in Qashqadaryo region hired over 700 local workers. Long-term contracts were signed with local cement and steel rebar producers. Additionally, the investor contributed 1.2 billion UZS to expand the regional drinking water supply network.

7. Recommendations

Sign long-term contracts with local subcontractors and producers
Ensure humane working conditions aligned with ILO standards
Prepare a separate annual report on corporate social responsibility (CSR) activities
Maintain continuous dialogue with local authorities and community leaders

Summary
Local cooperation and social obligations enhance the investor's reputation, ensure long-term project stability, and strengthen government support. These practices position the investor as a trusted and responsible partner to both local and international stakeholders.

14 Sustainability of Mining Projects and the ESG Approach

In modern investment projects, financial performance alone is not enough. The impact on the environment, society, and governance structures plays a critical role. The ESG (Environmental, Social, Governance) approach is now widely adopted by investors, banks, and international organizations. This section outlines the meaning of ESG principles, how they apply to mining projects in Uzbekistan, and the relevant international standards and local practices.

1. What is ESG?

Environmental – Waste management, water resources, air emissions, and natural resource conservation
Social – Labor rights, health and safety, local community engagement
Governance – Transparency, anti-corruption measures, and corporate governance structure

2. Why ESG Compliance Matters

Global financial institutions (e.g., IFC, EBRD) only finance projects that meet ESG criteria
Foreign partners and international companies consider social and environmental sustainability essential
Companies with strong ESG ratings are seen as reliable long-term partners

3. How ESG Is Applied in Mining

Implementation of atmospheric and water monitoring systems
Use of recycled water and closed-loop systems
Dust and noise control infrastructure
Employee health and wellness programs
Development of internal anti-corruption compliance systems

4. International Standards and Certifications

IFC Performance Standards – Required by International Finance Corporation
Equator Principles – Applied in large-scale infrastructure projects
GRI (Global Reporting Initiative) – Framework for sustainability reporting
ISO 14001 – Environmental management systems
OECD Guidelines – Sustainable corporate governance guidance

5. ESG Reporting

Annual sustainability report required from companies
Should include data on water usage, waste, energy, social projects, and safety
Reports are submitted to both investors and regulatory bodies

6. Real Example

In 2023, a foreign mining company operating in Jizzakh region prepared a full ESG report using the GRI format. The report received high ratings from EBRD and IFC, which helped the company secure a $18 million concessional loan for expansion.

7. Recommendations

Appoint a dedicated ESG specialist at the beginning of each mining project
Develop a sustainability strategy at the project's initial stage
Maintain consistent engagement with local communities
Design and implement an anti-corruption compliance framework

Summary
The ESG approach gives modern investors international credibility, internal stability, and long-term economic benefits. Aligning mining projects with ESG standards strengthens investor reputation and opens doors to international financial resources.

15 Final Stage of the Project: Launching Production, Export, and Expansion

Once a mining project reaches completion, the investor enters the stage of full-scale production, domestic and international market distribution, and expansion. However, Uzbekistan's national policy strictly prioritizes the export of value-added finished or semi-finished products — not raw materials.

1. Launching Production

All equipment and processing lines are fully installed
Connections to electricity, water, and gas networks are finalized
Operators and workers transition into a full-time regime
Product quality is verified and certified through laboratory analysis

2. Domestic Market Sales

Products must first satisfy domestic demand
Direct supply agreements are made with local market players
Stable pricing is ensured; products may be listed on the state commodity balance
Import-substituting products are eligible for government incentives

3. Export: Only Processed Products Allowed

Export of raw minerals is prohibited
Only processed or semi-processed products (e.g., ingots, cathodes, granules) may be exported
Export of strategic resources (e.g., gold, silver, uranium, tungsten) requires special Presidential Decree (PQ) or government authorization

4. Export Procedures

Foreign trade contracts must be registered (currency control, customs clearance)
Exported goods must be accompanied by lab analysis certificates and certificate of origin
Reports must be submitted to the State Statistics Committee and Ministry of Investment, Industry and Trade
Foreign exchange earnings must be fully repatriated to Uzbekistan

5. Expansion and Modernization

After successful phase one, modern technologies may be introduced
Deepening value-added chain: concentrate → metal → alloy
Expand local supplier cooperation
Implement environmental modernization programs under ESG principles

6. Real Example

In 2023, an investor launched a rare metals mining project in Tashkent region. Rather than exporting only concentrate, they upgraded to produce technical-grade titanium powder in a local lab, which was exported to a U.S. company. Before exporting, they also signed contracts with domestic metal producers to satisfy local demand.

7. Recommendations

Focus on deeper processing, not just export
Identify demand in targeted domestic segments
Align with strategic export policies through consultation with the Ministry of Industry
Seek international certification to ensure export quality standards

Summary
One of the most important principles for mining investors in Uzbekistan is the creation of added value, prioritization of local market supply, and the export of only high-quality, processed products. The Government of Uzbekistan actively supports this strategy through incentives and protective measures for responsible investors.

Ministry
of Mining Industry
and Geology of the
Republic of Uzbekistan

Dear Investor,

Through this guide, you have explored all the necessary steps for investing in the mining industry of Uzbekistan — from establishing a legal entity to obtaining permits, passing expert reviews, launching production, exporting, and adhering to sustainability principles.

This path has been streamlined, protected by legal guarantees, and reinforced with clear mechanisms designed to uphold your trust. Now the choice is yours. We welcome you not only as an investor, but as a trusted partner in building the future of Uzbekistan based on its rich mineral resources.

Make your decision today — take the first step toward sustainable mining in Uzbekistan!

The heart of the mining industry beats here — and we invite you to join its rhythm.

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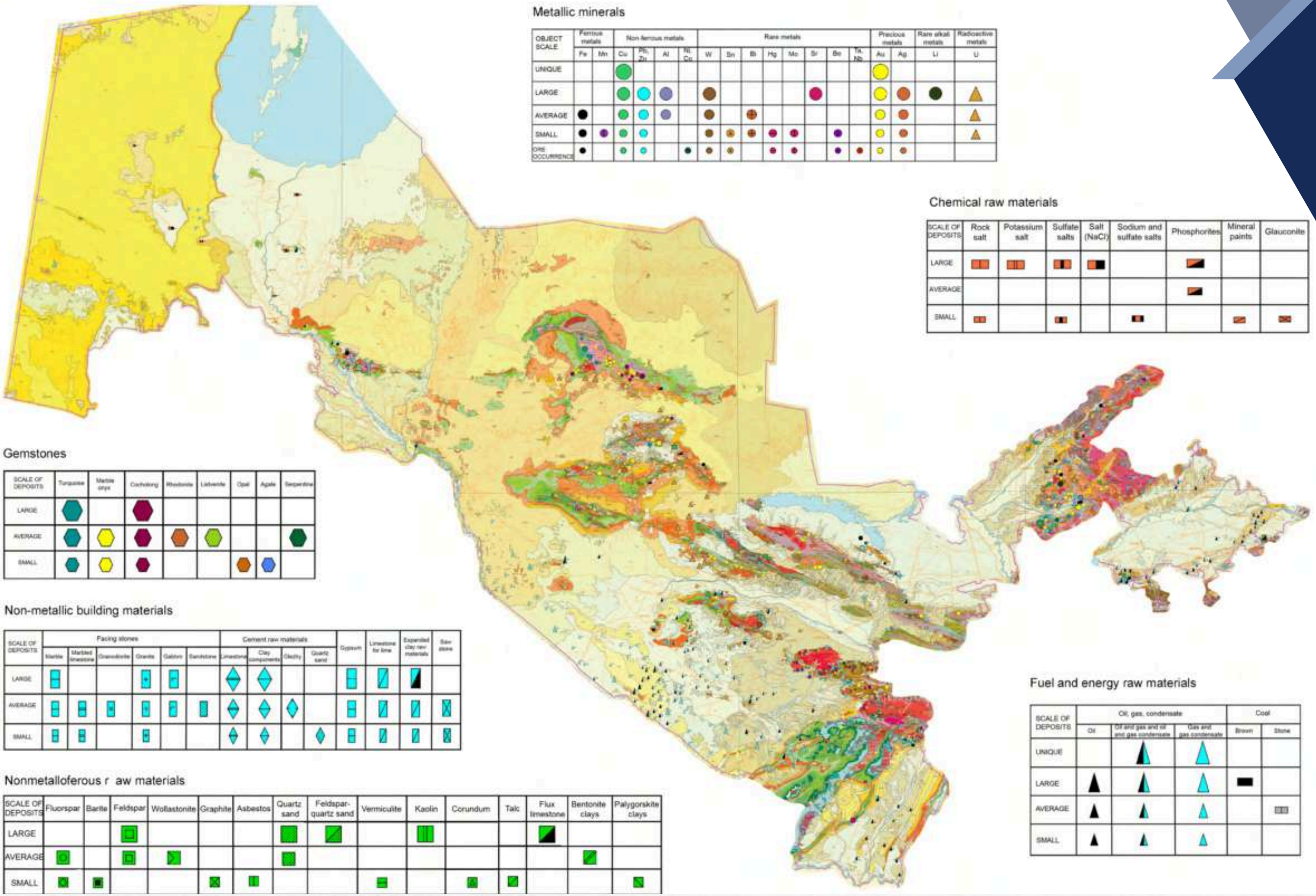
www.gov.uz/mingeo



Metallic minerals

OBJECT SCALE	Ferrous metals		Non-ferrous metals				Rare metals								Precious metals		Rare alkali metals	Radioactive metals
	Fe	Mn	Cu	Pb, Zn	Al	Ni, Co	W	Sn	Bi	Hg	Mo	Sr	Be	Ta, Nb	Au	Ag	Li	U
UNIQUE			●												●			
LARGE			●	●	●		●					●			●	●	●	▲
AVERAGE	●		●	●	●		●		●						●	●		▲
SMALL	●	●	●	●			●	●	●	●	●		●		●	●		▲
ORE OCCURRENCE	●		●	●		●	●	●		●	●		●	●	●	●		

Chemical raw materials

SCALE OF DEPOSITS	Rock salt	Potassium salt	Sulfate salts	Salt (NaCl)	Sodium and sulfate salts	Phosphorites	Mineral paints	Glauconite
LARGE	▬	▬	▬	▬		◢		
AVERAGE						◢		
SMALL	▬		▬		▬		▬	▬

Gemstones

SCALE OF DEPOSITS	Turquoise	Marble onyx	Cochiolong	Rhodonite	Labvenite	Opal	Agate	Serpentine
LARGE	⬢		⬢					
AVERAGE	⬢	⬢	⬢	⬢	⬢			⬢
SMALL	⬢	⬢	⬢			⬢	⬢	

Non-metallic building materials

SCALE OF DEPOSITS	Facing stones						Cement raw materials				Gypsum	Limestone for lime	Expanded clay raw materials	Saw stone
	Marble	Marbled limestone	Granodiorite	Granite	Gabbro	Sandstone	Limestone	Clay components	Glachy	Quartz sand				
LARGE	▯			▯	▯		◇	◇			▯	◢	◢	
AVERAGE	▯	▯	▯	▯	▯	▯	◇	◇	◇		▯	◢	◢	▯
SMALL	▯	▯		▯			◇	◇		◇	▯	◢	◢	▯

Nonmetalloferous r aw materials

SCALE OF DEPOSITS	Fluorspar	Barite	Feldspar	Wollastonite	Graphite	Asbestos	Quartz sand	Feldspar-quartz sand	Vermiculite	Kaolin	Corundum	Talc	Flux limestone	Bentonite clays	Palygorskite clays
LARGE			▣				■	◪		▮			◢		
AVERAGE	▣		▣	◪			■							◪	
SMALL	▣	■			▩	▮			▬		▣	◪			◪

Fuel and energy raw materials

SCALE OF DEPOSITS	Oil, gas, condensate			Coal	
	Oil	Oil and gas and oil and gas condensate	Gas and gas condensate	Brown	Stone
UNIQUE		▲	▲		
LARGE	▲	▲	▲	▬	
AVERAGE	▲	▲	▲		▭
SMALL	▲	▲	▲		