

State support in the field of economy and population in Uzbekistan.

The announcement of the COVID-19 pandemic has had a negative impact on all countries without exception. In particular, the President of the Republic of Uzbekistan has adopted decisive actions to ensure public health protection through strict self-isolation.

In this regard, it was decided to strengthen support for the economy and the population in this difficult period. The corresponding steps are defined in the Decree of the President of Uzbekistan 5969 "On priority measures to mitigate the negative impact on the economy of the coronavirus pandemic and global crisis phenomena".

In order to ensure macroeconomic stability, smooth operation of industries and sectors of the economy, stimulate foreign economic activity, and provide effective social support to the population, it was decided to:

1. Create an anti-Crisis Fund under the Ministry of Finance in the amount of 10 trillion of UZS. Its funds will be spent on measures to combat the spread of coronavirus infection and support entrepreneurship, employment, including the implementation of infrastructure projects, ensuring the sustainable functioning of economic sectors and expanding social support for the population.
2. Form of the Republican anti-crisis Commission headed by the Prime Minister of the Republic of Uzbekistan. It will promptly solve the problems that have arisen during the weak time and to prepare additional measures.
3. Increase social support of the population:
 - from April 1, 2020, the number of recipients of benefits for families with children under the age of 14, care for a child up to the age of 2, and financial assistance will increase by 10% – from 595.4K to 655 K UZS.
 - It will be introduced a daily supplement in the amount of 6% of the monthly official salary-5482 medical, sanitary-epidemiological and other employees participating in measures to combat coronavirus. For example, doctors will receive an additional 160K UZS every day;
 - 1.040 million employees of state educational, sports and cultural institutions that have suspended their activities will continue to receive their salaries in a timely manner;
 - the system for issuing sick leave lists will be simplified;
 - tax incentives and deferrals will be provided;
 - it is proposed to exempt from taxes the income of individuals in the form of material benefits received from charitable organizations.
4. Support for working citizens:
 - It is guaranteed preservation of job places and average monthly income of persons placed in quarantine;
 - it is forbidden for employers to dismiss parents of children infected with a coronavirus infection or placed in quarantine;

- leave is granted to parents of kindergarten and primary school students during the quarantine period;
 - temporary disability benefits in the amount of 100% of the average salary will be received by parents placed in quarantine, and persons caring for their child;
 - it is allowed to transfer employees, especially pregnant women, the elderly, people with disabilities and chronic diseases, to a remote method, flexible working hours or work at home.
- 5. Foodstuff provision:**
- the list and volumes of food for purchase and reserve formation will be determined;
 - monitoring of production volumes of raw materials for the production of consumer goods is being introduced;
 - monitoring of prices in the markets will be provided with strict control to prevent shortages and artificial overestimation of prices for socially important food products.
- 6. Support for the economy, especially entrepreneurship:**
- a moratorium on tax audits until the end of the year;
 - legal entities are given a 6-month grace period for paying taxes on property, land and water resources;
 - from April 1 to October 1, the minimum amount of social tax for individual entrepreneurs is reduced from 100 % to 50% BRV per month - from 223K to 111.5K UZS;
 - the tax rate for the use of water resources for irrigation of farmland is reduced by 50%;
 - until October 1, the application of penalties to economic entities for overdue foreign trade receivables is suspended;
 - from April 15 to October 15, the deadline for paying property tax and land tax of individuals is extended;
 - from April 1 to August 1, the deadline for submitting a personal income Declaration for 2019 is extended;
 - from April 1 to October 1, the tourist (hotel) fee is suspended.
- 7. Support of export:**
- to prevent possible penalties against entrepreneurs, an official notification of the occurrence of force majeure will be published;
 - entrepreneurs are allowed to export goods without providing a guarantee payment, if the overdue accounts receivable does not exceed 10% of the total annual exports.
- 8. Support for financial stability:**
- banks will provide the private sector with up to 30 trillion UZS of revolving loans to replenish working capital;
 - until October 1, banks will grant deferrals totaling 5 trillion UZS for the payment of loans issued to tourist, hotel, transport and logistics companies, private educational organizations, catering companies and others facing financial difficulties;
 - before June 1, 2020, commercial banks will undergo stress testing and assessment of the quality of their assets.

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